A USEFUL LOOK AHEAD FROM WASHINGTON

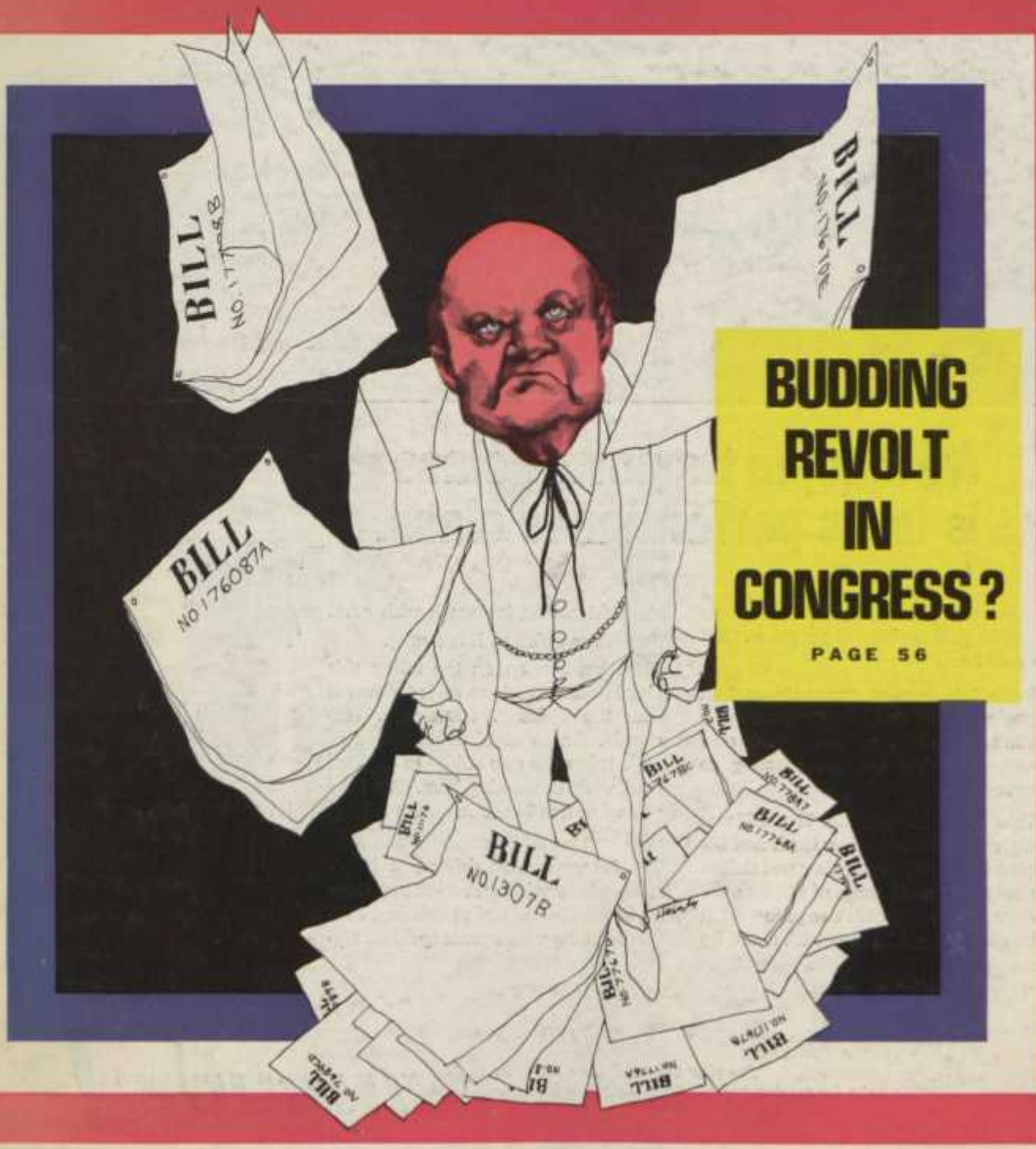
JUNE 1969

Nation's Business

The secret of prosperity

What campus rebellions mean

Listen to what you can't hear



BUDDING REVOLT IN CONGRESS?

PAGE 56

New Evinrude "85"
THE "SLEEPER"



Nothing in its power class is in its performance class.



This new Evinrude "85" is a lot more engine than anybody expected an "85" could be.

In fact, it does so many things that engines in the 80-90 hp class normally can't do, it's hard to describe this new easy-going V-4 without seeming to over-rate it.

Take thrust, for example. The "85" was designed to plane heavy loads and big offshore boats; to pull kites and slalom riders and snatch gangs of skiers out of deep water. We didn't require that it be able to hold its own with a 120 hp stern drive. But it does it with ease. And it's as quick as it is strong.

More important than the things this new Evinrude "85" can do is the way it does them. Easily. Effortlessly. Efficiently. On an absolute minimum of fuel. It has the rare ability to do hard work without working hard. The kind of engine that keeps its youth a long, long time.

The Evinrude "85" delivers a king's ration of everything. Push-button shifting luxury. Sound sealed quieting. Fail-safe reliability. Electronic ignition. Up-and-down as well as in-and-out boat trim adjustment. Automatic choke and thermostat. Built-in alternator. If it's worth having – the Evinrude "85" has it.

It has everything except size. Its powerhood is just two-thirds the size of last year's "85". And it's no higher in the motor well than a competitor's "65".

Another low-down Evinrude engineering trick.

See your nearest Evinrude dealer.
Or write for catalog and price list. Evinrude Motors, 4017 N. 27th St., Milwaukee, Wis. 53216

EVINRUDE
Div. of Outboard Marine Corporation

first in outboards

When you invest a billion dollars to help the cities, you learn some things.

Like hope.

Troubled minds: Back some 18 months ago, there were a lot of troubled minds all over this country. Including many in our business. The life insurance business. And what troubled everyone was the cities. There was poverty and frustration and decay and much ugliness all the way around.

In that atmosphere, when there was precious little hope anyplace, a lot of companies from our business got together to do something about it. To give it a try.

To invest a billion dollars worth of loan funds in the city core areas. Money that would create more jobs. More housing. Hopefully, more hope. And we made a public pledge of this investment.

You may say, this was just business as usual.

Because historically, life insurance companies invest in housing and in enterprise that makes jobs.

But this was different.

This was a new and special case of investment.

It went to an area – the inner cities – where capital was not readily available on reasonable terms, because of risk and location. Our business felt this special commitment was essential.

After all, our business is totally bound up with the health and safety of people. And people live in the cities. You could say people are the cities.

If those cities crumble, people are going to crumble, and business – ours, yours, anyone's – is apt to crumble right along with them.

In a businesslike way, our business was investing in its own future.

Due to the nature of the problem, the life insurance companies would need the closest cooperation of government and responsible leaders of the community. And they're getting it. With the result that the billion is now almost completely committed.

What we learned, was people.

By our very involvement in the core areas, we of the life insurance business found ourselves getting a lot closer to where people live.



We confirmed a deep feeling. That the problem of the cities needs people – people in government, business, and labor, working together – to help solve it. And we discovered we weren't trying alone; other businesses were making special efforts.

The life insurance companies are re-learning a basic truth. Let everyone do what he does best. We ourselves know investment in housing and enterprise. Local planners, developers, and agencies know their communities and know their needs.

Our business has learned that its hope was justified.

Sure, minds are still troubled today. The situation won't "just go away." But...

We're taking another step.

A second billion.

A second billion devoted to the same aims.

While knowing that it doesn't nearly fill the whole need, the life insurance business regards this, like the first billion, as an investment in its own future.

Isn't it your future, too?

If you would like some suggestions on what you can do, write for the booklet "The cities...your challenge too." Dept. L

Institute of Life Insurance
On behalf of the life insurance companies in America
277 Park Avenue
New York, N.Y. 10017

A social services center grows in Bedford-Stuyvesant, being built with mortgage money provided by the life insurance investment. One of hundreds of projects in 227 cities.

Nation's Business

7 MEMO FROM THE EDITOR
Some observations on expert discussions of an explosive issue which may face the nation for years to come

14 EXECUTIVE TRENDS: GLAD TO HELP
Survey shows how businessmen really feel about hiring minority workers; why people skip vacations; Europe's vintage wines

19 WHITE HOUSE MOOD: A MINORITY PROBLEM
What's Nixon's position toward an opposition that controls Congress? Well, his political silhouette is mighty low

23 STATE OF THE NATION: TELLING IT LIKE IT IS
Lack of reverence seems to be one cause of America's troubles as yesterday's romance is replaced by today's realism

27 RIGHT OR WRONG: PLAYING AT SAFETY
The government is spinning its wheels on the highway death issue; it should map out a new route

30 WHAT CAMPUS REBELLIONS MEAN TO YOU
Militant students plan an all-out assault on business, warns a Columbia University professor who has watched them closely

34 THE JOB MAKES THE MAN
Harry Palmer was black, an ex-convict and unskilled, but Ford Motor Co. gave him a job and a new life with dignity

42 WHAT YOU MUST TELL YOUR CUSTOMERS
The whos, whats, whens and wheres of the so-called truth-in-lending law, which goes into effect July 1

46 THE SECRET OF PROSPERITY
Albert Lea, Minn., was a test case for self-help following World War II; it passed the test and it's still passing today

Cover: John Heinly

Nation's Business is published monthly at 1615 H Street N.W., Washington, D.C. 20006. Subscription rates: United States and possessions $23.75 for three years; Canadian $9 a year. Printed in U.S.A. Second class postage paid at Washington, D.C., and at additional mailing offices.

© 1969 by Nation's Business—the Chamber of Commerce of the United States. All rights reserved.

Nation's Business is available by subscription only. **Postmaster:** please send form 3579 to 1615 H Street N.W., Washington, D.C. 20006.
Editorial Headquarters—1615 H Street N.W., Washington, D.C. 20006. **Circulation Headquarters**—1615 H Street N.W., Washington, D.C. 20006. **Advertising Headquarters**—711 Third Avenue, New York, N.Y. 10017. **Atlanta:** James M. Yandle, 3376 Peachtree Road N.E.; **Chicago:** Herbert F. Ohmeis Jr., 33 North Dearborn Street; **Cleveland:** Gerald A. Warren, 1046 Hanna Building; **Detroit:** Robert H. Gotshall, 615 Fisher Building; **Philadelphia:** Jerry V. Camporine, 1034 Suburban Station Building; **San Francisco:** Hugh Reynolds, 605 Market Street.

VOLUME 57 | PUBLISHED IN WASHINGTON, D.C. BY THE CHAMBER OF COMMERCE OF THE
NUMBER 6 | UNITED STATES, THE NATIONAL FEDERATION OF ORGANIZATIONS REPRESENTING
JUNE 1969 | MORE THAN FIVE MILLION COMPANIES, PROFESSIONAL AND BUSINESS PEOPLE.

56 BUDDING REVOLT IN CONGRESS?
An exclusive survey indicates overwhelming sentiment in Congress for a power shift from White House to Capitol Hill

62 LESSONS OF LEADERSHIP: TURNING A COMPANY AROUND
A talk with American Photocopy Equipment Co. President Clayton L. Rautbord, who cut back so his business could grow

70 LISTEN TO WHAT YOU CAN'T HEAR
Some important things go without saying, and executives should know what they are

73 GUEST ECONOMIST
A new column. This month, Kenneth H. Militzer of AT&T lists signs to watch in keeping track of the economy

74 REDS CLIMBING INTO UNIONS' BEDS
Extremist influence in British labor is one reason the pound swings less weight nowadays

78 BUSINESS: A LOOK AHEAD
Administration supports urban freeway completion; assembly-line housing advances; computers cut stock transfer red tape

80 EXECUTIVES WHO WILL SCORE IN THE 80'S
American Management Association President Lawrence Appley predicts team players and "pro's" will shine for their companies

84 SOUND OFF: HOW FAR SHOULD WIRETAPPING GO?

88 EDITORIAL: HOPE FOR THE FUTURE
Other institutions of learning could learn from this one

EDITOR
Jack Wooldridge

MANAGING EDITOR
Wilbur Martin

ASSOCIATE EDITORS
Jeffrey S. O'Neill
Walter Wingo
John Costello
Vernon Louviere
Sterling G. Slappey
Henry Altman

CONTRIBUTING COLUMNISTS
Felix Morley
Peter Lisagor
Alden H. Sypher

ART DIRECTOR
Ralph Patterson

ASSOCIATES
Joseph W. Swanson
Richard C. Freund

ART CONSULTANT
Yoichi R. Okamoto

ADM. ASSISTANT
Mary W. Davis

BUSINESS MANAGER
William W. Owens

ADVERTISING DIRECTOR
Herman C. Sturm

DIRECTOR OF FIELD SALES
Arnold F. Dardwin

DIRECTOR OF MAIL SALES
Philip A. Sweeney

PRODUCTION MANAGER
W. Lee Hammer

ADVERTISING PRODUCTION
Mrs. Gora P. Lerma



The waiting game.



The going game.

That tedious drive to the airport can easily waste as much time as your company airplane can save. Or more.

With airplanes, you need airports. With the new Hughes 500, you don't. So on most trips up to 500 miles, it's the quickest possible transportation.

It takes you direct from portal to portal at the fastest commercial helicopter speed yet. 150 mph.

The Hughes 500 also saves you big time shuttling around congested urban areas. Gets you out to remote hinterland locations in about one-fourth the driving time. And on long trips, it flies you over all the traffic, direct to the company jet or airliner.

It's a five-seater styled by Henry Dreyfuss. Turbine-smooth. Has a great war record (military version: OH-6A Cayuse).

The Hughes 500. Take it whenever you haven't got time for the waiting game.

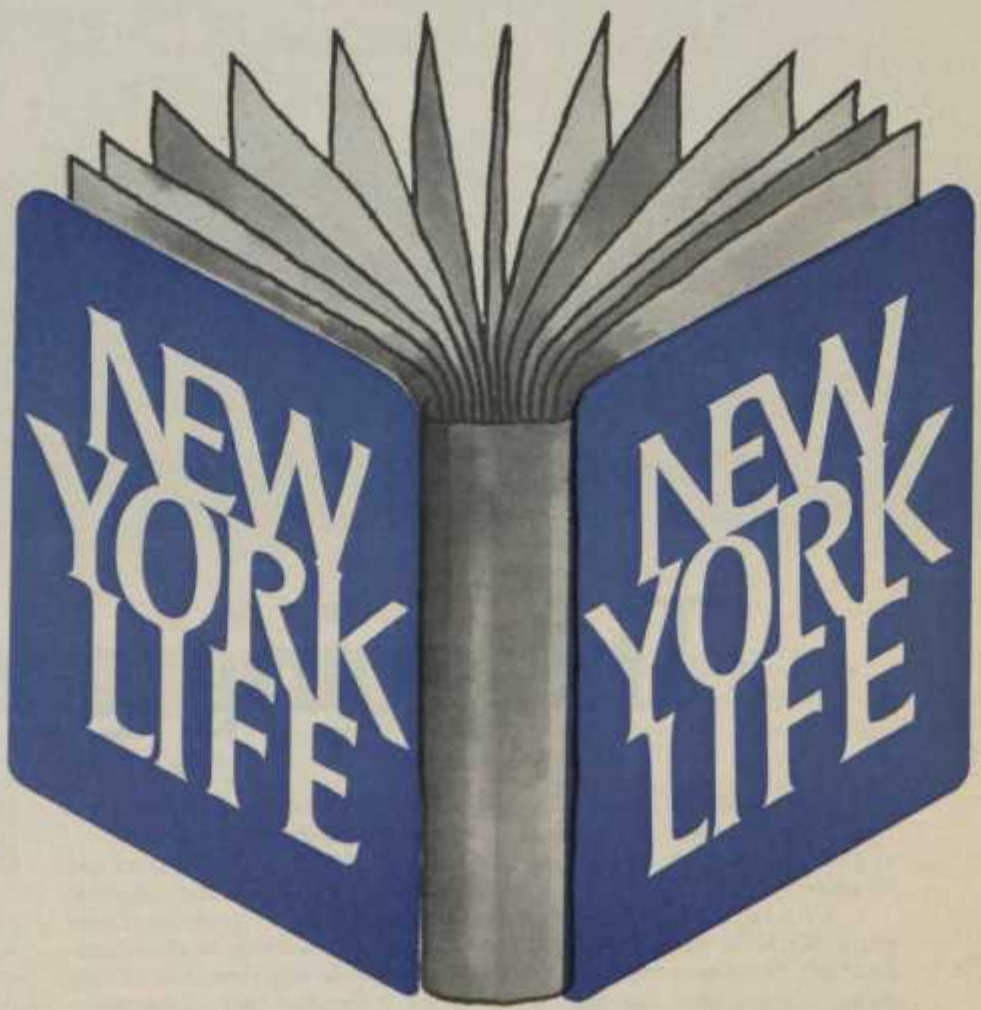
For free brochure, please write to Hughes Tool Company, Box 60688-B, Terminal Annex, Los Angeles, California 90060.

The Hughes 500

World's fastest executive helicopter.

Deferred Compensation?

We know the subject from cover to cover.



Nowadays, there's only one thing more difficult than attracting a good man to your company. And that's keeping him.

Often, a high salary isn't enough. Because a higher salary means a higher income tax.

New York Life's solution? A deferred compensation plan for your key men, funded with life insurance.

The kind of plan that can combine a generous income for a key executive at retirement with increased financial security for his family during his working years.

And since the retired executive usually finds himself in a lower tax bracket, he'll pay less tax on his income.

We've written key man life insurance under all kinds of deferred compensation plans. For all kinds of companies.

If you want to know how a deferred compensation plan can fit into your employee benefit program, get in touch with your local New York Life Agent. You'll find he's a good man to know.

New York Life Insurance Company
51 Madison Avenue, New York, N.Y. 10010
Life, Group and Health Insurance, Annuities, Pension Plans.

NEW YORK LIFE

Our 125th year

memo from the editor:

NATION'S BUSINESS • PUBLISHED BY THE CHAMBER OF COMMERCE OF THE UNITED STATES • 1615 H ST. N.W., WASHINGTON, D.C. 20006

With most of the regular college terms ending, maybe administrators and the rest of us will get a little respite from campus rioting.

But you can be sure the rebellion of some elements isn't over. It's a serious problem we may face for years to come. Businessmen, of course, have a real stake in its outcome. And as usual they are more aware of this than many of the public may realize.

The whole subject of the "uptight generation" came in for a great deal of study and discussion at the annual meeting of the Chamber of Commerce of the United States.

Audiences cheered the explanation of his stand by Dr. S. I. Hayakawa, the embattled president of San Francisco State.

They were shaken by the description of the behind-the-scenes instigators by William Sullivan, assistant FBI director. He warned them, as community leaders:

"Extremism impairs efforts to build and strengthen our communities. It stifles efforts to resolve differences among ethnic groups.

"While there is little hope that community leaders can convert some of the radical extremists with reason or persuasion, efforts must be made to reach those who have not as yet closed their minds to reason and persuasion.

"At the same time, there is need for firmness in dealing with those on the campus and in the community who, in the name of dissent, flout the law and invoke violence.

"These extremists must be repudiated. Responsible community leaders must speak out against their excesses."

The nation's number one leader chose the annual meeting to speak out. President Nixon voiced a strong demand for law and order on the campus, and the audience of concerned businessmen enthusiastically agreed.



President Nixon with Allan Shivers, Chairman of the National Chamber's Executive Committee, at the annual meeting.

To give NATION'S BUSINESS readers more facts on the way these dissidents affect businessmen, our editors turned to Dr. Robert Hessen of Columbia University. He's been on the scene for some of the most violent rioting and gives his

MEMO FROM THE EDITOR *continued*

views as an economic historian. You'll find his thoughtful article on page 30. And our editorial comment on page 88.

NATION'S BUSINESS also obtained from the highest law enforcement authorities first-hand reports on some of the events at Columbia. We would have liked to inform our readers of the real facts. But, frankly, we felt they were too filthy and obscene to put into print.

• • •

At the opposite end of the spectrum, NATION'S BUSINESS salutes a success story which has been going strong for 25 years.

Back in 1943 there was a nagging worry that unemployment would cause a depression when the war ended. It would have been easy to do nothing but worry. Long-range planning wasn't very fashionable then.

Some businessmen, however, decided that something should be done. They agreed, with the encouragement of the National Chamber, to conduct an experiment in the town of Albert Lea, Minn. "It was a pretty daring thing to do at that time," says one participant.

But it worked. By involving the whole community, Albert Lea was able to become the model for self-help in postwar reconversion.

The concept of total community development was quickly adopted by the National Chamber, and today Albert Lea and many other communities are using it to solve problems of 1969 under the name of "Forward Thrust."

Our new managing editor, Wilbur Martin, visited Albert Lea to report the story. It's an page 46.

• • •

Foreign editor Sterling Slappey is about as far from Albert Lea as you can get without becoming an astronaut. Sterling spotted some important developments in Hawaii, Guam, Thailand and Indonesia which will interest American businessmen.

At first he planned to fly straight back when his reporting was done, but then he made an interesting discovery. Indonesia is just far enough away from Washington that it costs $40 less to go on around the world and come back over Europe. So he'll stop off there to get another article you'll be reading in a future issue.

• • •

Of more immediate interest, NATION'S BUSINESS this month initiates a new feature—a regular monthly column by an outstanding economist on a subject of current interest.

Generally these columns will be written by the top economist in a major corporation. For example, the first, on page 73, is by Kenneth H. Militzer, director of economic analysis, American Telephone and Telegraph Co.

You hear a lot about "economic indicators" that are supposed to tell you whether business will get better or worse or stay the same. Mr. Militzer offers some down-to-earth advice on the importance of some of these and how you can use them to your advantage in your own business.

Future columns are planned by:

Carl H. Madden, chief economist, Chamber of Commerce of the United States.

Jac Friedgut, senior economist, First National City Bank.

James W. Ford, director, economics office, Ford Motor Co.

Murray L. Weidenbaum, professor of economics, Washington University, St. Louis.

Jack Wooldridge

See it now.

We built the new 1400 electronic calculator to be seen and not heard.

With large clear numbers. Clearer, we think, than any other calculator. And you'll see both the problems and answers. A Victor exclusive.

You'll see the only calculator that creates a constant automatically in multiplication and division.

You also get an accumulating storage register, a separate memory unit, 14-digit capacity, a flexible decimal system and automatic round-off.

See it demonstrated. On the big screen. Victor vision.

Write: Victor Comptometer Corporation, Chicago, Illinois 60618 VICTOR



Call on Victor and you're in business.

letters

HE'S BEEN WORKING ON THE RAILROAD

• I am aware that your magazine represents five million companies, professional and business people, but I sincerely hope that all of the articles are not as misrepresenting as the one concerning firemen "shirking on the railroad" [April]. It is unfortunate if your subscribers accept this biased article and never bother to find out the facts for themselves.

I've worked on the railroad for almost 20 years and have never been fortunate enough to remain idle on my job, because with decreased maintenance of the engines, I'm constantly correcting malfunctions. The head end brakeman, who you state can take over my job, has his own job to do. He is not in the cab at all times, and he does not have the training nor the experience to take complete control of the train.

About the only sentence that rang true was that the engineers stated the firemen were not needed (they now deny this statement). But you failed to mention that in return for selling out the firemen they receive a compensation for every trip they make without a fireman in the cab.

JOHN W. SCOTT
Brotherhood of Locomotive Firemen and Enginemen
Lodge 443
Staples, Minn.

Freedom of the air

• Re "A Clouded Issue" [April], all that fliers of personal and business aircraft are seeking is equal—not preferential—access to public facilities which they and other taxpayers have enabled the various government authorities to provide. Drivers have these privileges or rights on the highways and streets; sailors have these privileges or rights on the waterways and seas. And congestion is much more of a problem on the surface, where there are only two degrees of freedom of movement, than in the air, where there are three.

General aviation goes everywhere there is an airport—more than 10,000 places—and connects these places with the 500-odd places served by the airlines. In 1967 the airlines used 2,000 planes to carry 132 million people between these 500-odd places; general aviation used 122,000 planes to carry 150 million people between 10,000 places.

Equality of opportunity or access to public facilities is hardly a clouded issue. It's the central theme of American development. Let's preserve it in the air, too!

ROBERT E. MONROE
Deputy Chief
Policy and Technical Planning
Aircraft Owners and Pilots Assn.
Washington, D. C.

• As an owner-pilot, I wish to thank you for airing a matter which to date has only been seen in general aviation publications or general aviation paid-for advertisements. It is time the American taxpayer is made aware of the facts in this issue.

Sometimes I wonder how long the American public would sit still if the Interstate Commerce Commission or some other governmental agency were given the authority to regulate the federally subsidized road system of the U. S. and that agency were to announce that the Brooklyn Bridge or Golden Gate Bridge were only to be used by private autos from 7:30 p. m. until 5:30 a. m., to facilitate their use by buses, taxis and other commercial carriers during peak traffic hours. This is a little farfetched, but it is what they are doing to general aviation at some major airports.

J. E. McBRIDE
Vice President
The Peoples Bank
Ripley, Miss.

• The author hit the nail on the head when he talked about "the abysmal failure of the governmental agencies involved to keep up with the essential needs of aviation."

What he didn't say was that the Federal Aviation Agency has for years been attempting to coax and/or wheedle enough money out of Congress to provide for more facilities, controllers, and equipment. They have been cut off every time.

Will it take a mid-air collision of two of the new jumbo jets, killing 400 to 500 people, before they wake up? As a private pilot and aircraft owner, I sincerely hope not.

RICHARD G. J. SKOGLUND
Owner
California Air Radio
Cable Airport
Upland, Calif.

Facts for taxpayers

• Your editorial "Out of Focus" [April] expresses a point of view to which all taxpayers should give heed. Could we have permission

changing your address?

Whenever you write us about your subscription, please include address label for prompt service.

Please attach the address label from your Nation's Business cover in the space above, print your new address, and mail this form to Nation's Business. Important: Allow five weeks for address change.

name

co. name

address

city state zip code

NATION'S BUSINESS, 1615 H STREET, N. W., WASHINGTON, D. C. 20006

Tell someone you like about Lark's Gas-Trap™ filter. They may give you a little party.



Tell the world:

The Gas-Trap™ does more than any ordinary filter. It reduces gases as well as "tar" and nicotine.

This is important since only a fraction of cigarette smoke is "tar" and nicotine. About 90% is gas.

Lark's patented Gas-Trap™ filter actually reduces certain harsh gases nearly twice as effectively as any other filter on any other popular brand, bar none.

You see, the Gas-Trap™ uses activated, fortified charcoal granules—one of the most effective filter materials known to modern science.

Now tell your friends. They may say you're a jolly good fellow. King Size or new 100's.



For more information send for the free brochure "Lark's Gas-Trap™ Filter and What It Means to You." Write Lark, P.O. Box 44, Brooklyn, New York 11202.



When is a receivable a sitting duck?

Whenever it's exposed to the **possibility** of loss. Which means almost any of your receivables, almost any time. When an important customer gets hit by cash shortage, the target is also your own working capital **and profit . . .** tied up in your product or service. So defend yourself with American Credit Insurance®. The policy that's been like money in the bank since 1893.

ACI . . . a subsidiary of Commercial Credit Company, which has assets exceeding $3 billion.

PLAY IT SAFE WITH ACI

American Credit Indemnity Company of New York
Dept. E, 201 North Charles Street, Baltimore, Md. 21201

I want to know more about American Credit Insurance before it's too late. Please send your free new folder, "Play It Safe With ACI."

Name _____

Company _____

Address _____

City _____ State _____ Zip _____

to broadcast the text of your editorial over the facilities of our AM, FM and television stations?

J. ALLEN JENSEN
Executive Vice President
KID Broadcasting Corp.
Idaho Falls, Idaho

• It is regrettable that the daily press and other magazines in the United States do not tell the facts of some of these tax reforms so the public can know the true story.

SPENCER T. OLIN
Member, Board of Directors
Olin Mathieson Chemical Corp.
St. Louis, Mo.

WE, not GE

• In the article "The Walls Come Tumbling Down" [April], reference is made to the "Hawthorn effect." It is stated that: "This is a phenomenon observed by General Electric industrial psychologists in a plant at Hawthorn, Pa.," (in which) "any change in environment, for better or for worse, will produce more worker efficiency for a while."

The "Hawthorne effect" was an outgrowth of a series of research studies in our Hawthorne Works in Cicero, Ill., during the late 1920's and early 1930's. These "Hawthorne studies" have for many years been considered the classic, pioneering work in industrial psychology and sociology. The account of these studies was published in 1939 under the title "Management and the Worker," by F. J. Roethlisberger of Harvard and William J. Dickson of Western Electric. These men as well as many others devoted a good part of their lives to these studies and we think they deserve the credit.

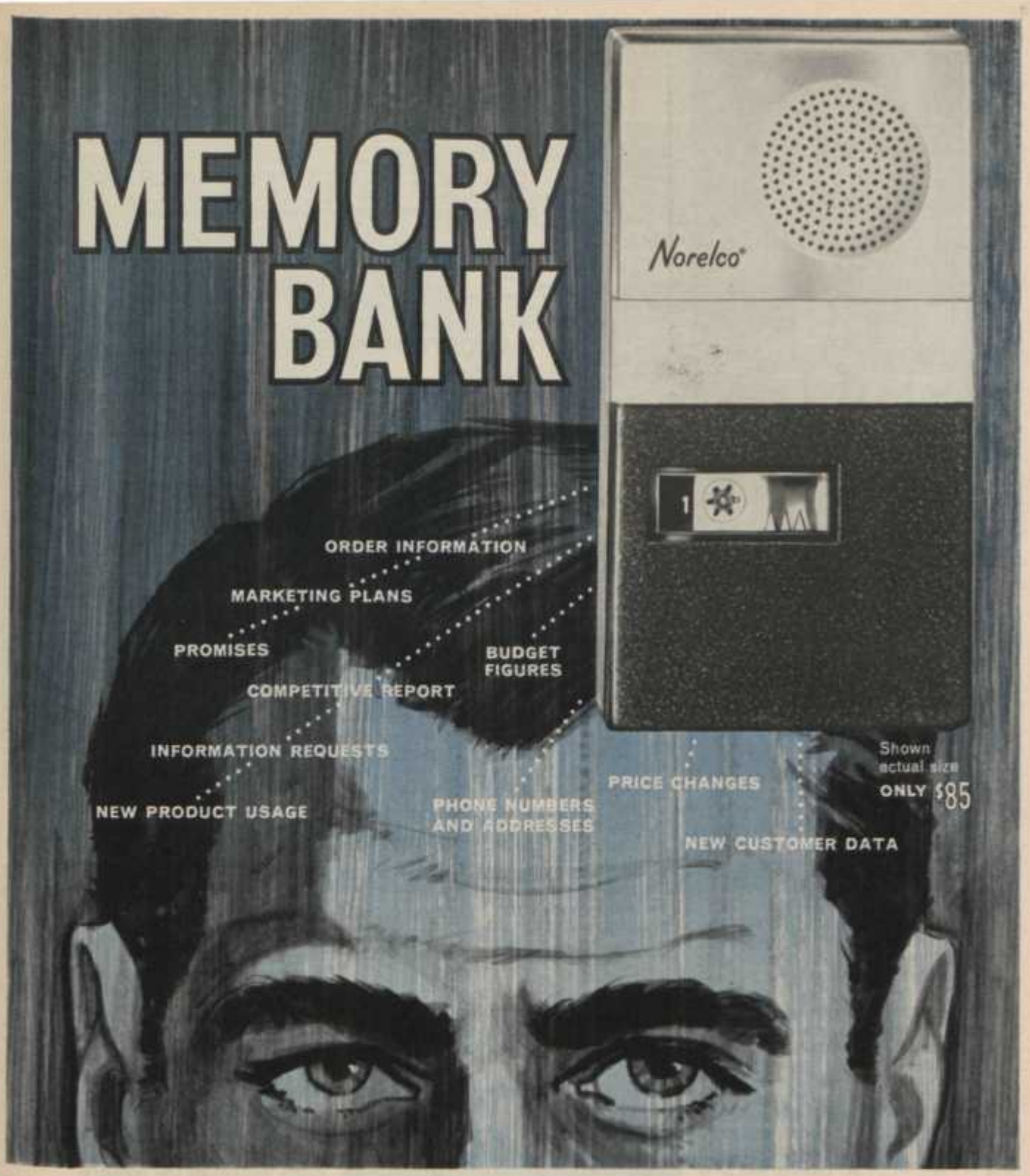
W. J. ALEXANDER
Engineering Personnel Relations
Western Electric
New York, N. Y.

Hats off to Bradley

• Of all the high ranking military officers of World War II and after, Gen. Bradley (Lessons of Leadership, April) to me has been and is the most appealing. His unassuming, practical and completely human attitude both as a military officer and as head of the Veterans Administration should be a model for anyone in public life.

Gen. Marshall, by Gen. Bradley's own appraisal, may rank higher in over-all ability and Gen. Eisenhower clearly ranked higher in attainment and appeal to the public, but there must be many like me to whom Gen. Bradley ranks highest as an admirable human being.

JOHN E. CAVANAGH
Attorney
Northridge, Calif.



Norelco 85 POCKET-MEMO

EXECUTIVE NOTE-TAKER

Today, executives are under pressure to remember more than ever before. But, human memory can be dangerously fallible. Hastily scribbled notes can be confusing. That's why the compact Norelco 85 Pocket-Memo has met such enthusiastic acceptance. It fits into your pocket or attache case, ready to store 20 minutes of information on its exclusive Mini-Cassette. Record the thoughts you simply cannot afford to forget in your Norelco 85. Visit your authorized Norelco office products dealer today for a personal demonstration. Or clip coupon for further information.

See the Yellow Pages under "Dictating Machines"

OTHER PRODUCTS: Electric Shavers, Hearing Aids, Radios, Audio-Video Tape Recorders, Education and Training Aids, Medical-Dental X-Ray, Electronic Tubes, Commercial Sound, Closed Circuit TV, TV Studio, Motion Picture, Cryogenic and Telephone Equipment.

Norelco® BUSINESS PRODUCTS

NORTH AMERICAN PHILIPS CORPORATION

North American Philips Corporation
Business Products Division, 100 East 42nd Street
New York, New York 10017

RUSH INFORMATION telling me how I can receive a personal demonstration of the New Norelco 85 Pocket-Memo

Name_____

Company_____

Business Address_____

City-State_____ Zip_____

NB-669

With 2 more years of schooling, Bill Miller works harder and smarter.



The people in Treasure Chest Land have a thing about education. They want all they can get. As a result they stay in school nearly two years longer than the national average. Which makes a big difference in the kind of jobs they are qualified to perform. As an example, the colleges in Treasure Chest Land produce more engineers and scientists per capita than anywhere else in the United States.

It is this kind of enthusiastic, eager-to-learn atmosphere that can make an industry grow. Perhaps your industry. For more information, Write:

Ask for our new 28 page Brochure

"A Treasure Chest in the Growing West"

Wayne F. Mulcock
Director, Area Development
P.O. Box 899, Dept. NB3
Utah Power & Light Co.
Salt Lake City, Utah 84110



UTAH POWER & LIGHT CO.

Serving homes, farms and industry in 4 states (Treasure Chest Land)

executive trends

GLAD TO HELP

- VACATION-SKIPPERS PROBED
- BOUQUETS TO SOME WINES

Giving ghetto workers a break

Most businessmen, big and little, are all for it.

That's what a recent poll by The Personnel Laboratory, Inc., shows.

Nine out of 10 who replied say they're willing to hire more Negro and other minority workers—for white collar and supervisory posts, as well as for pick-and-shovel work. Fifty-four per cent list salesmen's jobs as among those they intend to fill with minority members.

Here are some other results of the survey:

- Eight out of 10 (79 per cent) feel qualified minority applicants are in short supply. But few kick about the cost of finding them.
- Three out of four (73 per cent) say they have jobs open now that they can't fill for lack of qualified minority applicants.
- Most of those who have experience with government-funded programs to train and recruit ghetto workers are disappointed in them.

Personnel Laboratory, Inc., offers one caveat.

"Only 10 per cent of the firms quizzed actually answered. This may indicate most would rather not discuss the subject—or think enough's been said already."

Bad news from the campus

Not riots—but college costs, private and public.

They're going up again at most schools.

Here are some advance figures from the annual survey of the Life Insurance Agency Management Association:

	1968-69		1969-70	
	Tuition	Room and board	Tuition	Room and board
Yale	$2,150	$1,150	$2,350	$1,250
Harvard	2,000	1,240	2,400	1,240
Princeton	2,150	1,160	2,350	1,160
U. of Mich.	420	1,000	480	1,035
U. of Va.	330	1,100	330	1,100
Smith College	2,050	1,225	2,150	1,275
N'western U.	1,965	1,100	2,130	1,100
U. of Texas	100	900	100	1,000
Reed College	2,200	935	2,400	935
Knox College	2,010	1,170	2,376	1,107
U. of South. Calif.	1,800	1,100	1,800	1,150

For out-of-state students, University of Michigan now charges $880 extra for tuition, room and board. It'll be $1,060 next year. The University of Virginia charges $585 extra, and the University of Texas, $300. No change next year.

"These schools are not necessarily bellwethers," a LIMA spokesman says, "just prestige schools from a cross section of the country.

"For example, the Harvard increase is about 11 per cent, higher than the over-all average is likely to be."

Last year, LIMA's survey showed college costs up from 4 per cent in state colleges to 7 per cent in private men's colleges.

A helping hand in Nippon

Getting around in Europe isn't too tough for most American business-



GMC adds Cummins diesels to its line to shake up your idea of how much power one company can offer.

When you call yourself the truck people from General Motors, you'd better make sure you've got what truck buyers want.

We think we do. More than anybody else in the business.

Our power offerings this year are a good example. To cover every possible base we could think of, we've added a new line of Cummins diesel engines. Four new engines that develop 230, 250, 270 and 335 gross horsepower, respectively. The 270 and 335 h.p. engines can be specified for GMC's brand new over-the-road Astro 95, while the other offerings are available in our short and long conventional models.

And that's only part of the story.

We offer diesel power choices galore. There is the Toro Flow II, a diesel engine that's given in-city truck operators a real look at what maximum economy is all about. In addition, we have the full line of GMC's 2-cycle diesels from the 6V-53 to the 8V-71.



We've got what you want because we want your business. We've devoted ourselves to trucks and what powers them.

If you want the most out of the next truck you buy, simply talk to one of our dealers.

You'll like what you hear.

GMC the truck people from General Motors

men. Brush up on your high school French or German and you can *parlez-vous* or *sprechen Sie deutsch* with the best of them.

Or, if you have the time, you can take a crash course at one of the language training schools.

Doing business in Japan may be a little rougher. The spoken language is a big barrier—and the written a formidable one.

Japan Air Lines can help some. It has a handy booklet, "Businessman's Guide to Japan," free for the asking. Also, it will print—on request—business cards in English and Japanese, with your name spelled phonetically in Japanese script and ideographs.

Takes 10 to 14 days.

They're a must in Nippon.

Why they stay on the job

The slave, the banker, the warrior and the mouse—they all do it.

Skip vacations, that is.

In fact, one out of six workers eligible for a vacation passes it up. For executives, the rate's even higher, Northwestern National Life Insurance Co. reports.

Why?

Some enjoy work more than play. "I love my job," one comments.

Occasionally, companies encourage executives to keep noses to the grindstone. They are allowed to accumulate leave—then take it in cash when they retire.

A Northwestern National survey found vacation-skippers fall into distinct classes like these:

- The slave—He's an addict to work.
- The banker—He'd rather have cash.
- The warrior—His vacation would be one long battle with his wife.
- The mouse—He's afraid to find a stranger at his desk when he returns.

"Too bad," says D. F. Bennett, office manager, Borg-Warner International Corp.

"Everyone should take a vacation. He's a better executive when he gets back."

Poor—but not a disaster

That's one verdict on Europe's 1968 wine crop.

"Many French and German vineyards suffered from heavy rain during harvest," notes A. C. McNally, manager of imports for Heublein Inc.'s Vintage Wine Co. Spain, Portugal and Italy fared better.

"They produced consistently fine quality wines—especially the Soave and Valpolicella sections and the Classico area of Chianti in Italy," Mr. McNally says. "And in Hungary, the sweet wines of Tokay had a good year."

As for Germany, he adds, "about one third of the regional wines are acceptable. I doubt if anyone will kick about the Liebfraumilch, Johannisberger Riesling, Bernkasteler and Piesporter."

France? "Some excellent 1968 white wines are available from the Cote du Beaune in Burgundy, plus red wines from Beaujolais, white from Pouilly-Fuissé and red chateaux from the Medoc."

One tip Mr. McNally passes on: Look twice at any 1968 vintage French wine that doesn't carry the names of the chateau where bottled—and its proprietor. If it's top quality, he'll hang his monicker on it.



The same easy-up, basic building gives you unlimited design possibilities.

GO AHEAD
...design a Behlen easy-up building any way you like

This fast, simple building system cuts the cost of looking special

Add bricks or batt it . . . give it a wooden shingle bonnet . . . choose a gleaming sweep of glass . . . or keep it plain, utilitarian. It's the go anywhere, do anything building for unnumbered uses. Locks together in days on a tight budget. Sturdy bolt-together steel panels make walls and roof . . . no studs or posts. Your choice of many colors. A special rubber-sealer between every seam keeps it weathertight. Many sizes. Moderate on-site labor tailors it to your taste. Treat it tender. Or be a tyrant. You'll still get years of carefree, low-cost occupancy. See how well it fits your plans. This coupon brings you the complete story.



crisp . . . brick wainscot, sleek fascia treatment.



modern . . . Behlen Curtain Wall shows what's inside.



monolithic . . . cut stone flanks the entry.



utilitarian . . . plain vanilla or in colors. Dollar saver.



Wide Spans at an economy price! Behlen's Convex Roof buildings offer clear spans up to 200 feet. Lots of low-cost space . . . fast!

BEHLEN 26
Manufacturing Company
Columbus, Nebraska—68601
Send information on Behlen Buildings.
Approximate size_____ Use_____
Name_____
Address_____
Town_____ State_____ Zip_____

Your sign can be your No.1 salesman.



If it's in UVEX.®

How does a salesman sell? With visibility. Before he can be convincing, customers have to *see* him. He needs a distinctive personality. He can't be just a face in the crowd. That goes for your sign, too. No visibility, no business. No personality, and you're like everyone else.

Eastman UVEX Sheet is a lot of things other plastic sign materials aren't. For one thing, it gives truly 3D signs. This is because it can be vacuum-formed—accurately drawn over almost any mold—to the shape and contours you'd like to have. This means you'll never have a "me-too" sign —unless you want one. For another thing, your sign of UVEX is more than shapely; its outstanding toughness means you should have it for a long time.

Does your sign sell? Is it really your personal business signature?

Eastman Plastics Kodak

Fill in the coupon for our new booklet, "How to Select a Sign That's the Right Kind of Salesman for Your Business." Mail to: Plastics Division, EASTMAN CHEMICAL PRODUCTS, INC., Kingsport, Tennessee 37662. Subsidiary of Eastman Kodak Co.

Plastics Division,
EASTMAN CHEMICAL PRODUCTS, INC.
Kingsport, Tenn. 37662

I'm willing to listen to your story on UVEX Sheet. Maybe my sign can be a better salesman.

Please send me your booklet: "How to Select a Sign That's the Right Kind of Salesman for Your Business."

Name_____

Business_____

Business address_____

City_____ State_____ Zip_____

☐ Send me the address of "signature" signmakers in my vicinity.

Credit: Jimboy's Tacos sign by Ad Art, Stockton, California

The best way to sell you on Hartmann's $42.50 attache is to show you Hartmann's $110 attache.



$110

Handcrafted by men. Not stamped out on machines. No moulded plastic parts anywhere.



Touch-O-Matic® locks finished in 24 K gold, then covered by flaps to keep the case neat and the locks safe.



Classic square-corner shape and soft expanding side panels offer far more carrying space than hard-sided cases of comparable size.



The most flexible frame in luggage. When bumped around, it gives in and bounces back instead of breaking.



Handle is sewn by hand instead of being machine-stamped. Soft, ridgeless, rugged.



Interior crafted and tailored by hand and completely backed. Edges are turned and bound. Removable desk and file sections.



$42.50

DITTO



DITTO



DITTO



DITTO



DITTO



DITTO

There is a difference, of course. A big one. The $110 case is made of imported industrial belting leather.

No two pieces of it are ever exactly alike. This leather is completely natural; no finish is needed to preserve its toughness and individuality. The case is bound in rugged rawhide and the interior is trimmed in rich gabardine with more belting leather. For unique luxury, nothing surpasses it.

Our $42.50 attache is made of the finest, most expensive vinyl available. And because both of these pieces are Hartmanns, the craftsmanship is the same in each case.

AVAILABLE IN TIGER EYE BROWN OR ONYX BLACK VINYL, $42.50. IN RUBBED WALNUT NYLON FABRIC, LEATHER-TRIMMED, $55. IN MAHOGANY COWHIDE, $85. IN INDUSTRIAL BELTING LEATHER, $110. EACH HARTMANN CASE CAN BE MATCHED TO LARGER PIECES FOR COMPLETE SETS OF LUGGAGE. **FOR FREE BROCHURE, WRITE TO: DEPARTMENT NBA, HARTMANN LUGGAGE, LEBANON, TENNESSEE 37087.**

white house mood



BY PETER LISAGOR

A MINORITY PROBLEM

If it were possible, Richard M. Nixon undoubtedly would order the recall or obliteration of much of what he said as a critic of Democratic policies during the eight years he spent in the political wilderness. He was an intensely partisan man, and his words had bite and left a measurable bitterness among the objects of his disaffection.

Most politicians experience the same predicament. Once, when President Franklin D. Roosevelt was due to speak in Pittsburgh, he was reminded by an aide that he had done the exact opposite of what he had promised in the same city four years earlier. "How shall we explain it?" the aide asked. "Deny that we were ever in Pittsburgh," FDR suggested. The laugh the remark evoked was a hollow one.

Mr. Nixon is a victim of double jeopardy, in a sense, because he is a Republican Chief Executive who has to deal with a Democratic-controlled Congress. He must get along with the opposition or reconcile himself to monumental frustrations. In recognition of his problem, he has muted almost all evidence of partisanship at the White House level. This is not to say that his staff, his Cabinet, and his spokesmen in Congress have renounced their Republicanism. Far from it. Some have moved with an awkward and even costly disregard of the political reality and acted as if they can surmount the handicap of being in the minority on Capitol Hill.

One of these, Senate Republican Leader Everett M. Dirksen, a semifrustrated Shakespearean actor, has behaved as if he believes the problem of the Democratic majority is more psychological than real. He has demanded the heads of Democratic holdovers in appointive offices, and has had several delivered. One slightly wry witness to the relationship between the White House and the Congress observed not long ago, "Dirksen must think Lyndon Johnson's still President."

In LBJ's time, Dirksen was essential to White House schemes. He and Mr. Johnson, old Senate associates, admired and understood each other. But the key fact was that LBJ needed Republican support for many of his measures, and Dirksen was kept amply buttered up to help where possible.

The situation is reversed under Mr. Nixon. He can invoke party loyalty to keep the Republicans in line; what he desperately needs is Democratic aid. Therefore, he has maintained a political silhouette so low as to be almost invisible.

In his early months, he has deliberately avoided partisan functions. His travels have been conspicuously nonpolitical in character. He has kept his lines open to former Presidents Harry S. Truman and Johnson. A trip he took to Independence, Mo., in April was particularly instructive, for something of a durable feud had existed between Truman and Nixon ever since the latter's slashing campaign tactics in the 1950's. Mr. Truman always thought that Mr. Nixon had impugned his loyalty and patriotism in those days when anticommunism was a favorite and productive Republican theme. The years had softened the Truman-Nixon enmity, but the visit to Independence, which included the gift of a White House piano to the Truman Library, ended any lingering animosity.

It also helped Mr. Nixon maintain his nonpartisan posture. But whether in the end this suppressed partisanship will win friends among the Democrats and support for Administration programs is at least questionable.

The late Dwight D. Eisenhower was perhaps the only President in modern times who could be said to have risen above narrow partisan antagonisms. Yet, Ike had some pretty strong and adverse notions about dealing with a Democratic Congress, which it was his fate to do for six of his eight years in the White House.

The 1954 Congressional elections resulted in Democratic control of both Senate and House. In his State of the Union message in January, 1955, Gen. Eisenhower offered to meet the Congress

Contributing columnist Peter Lisagor is White House correspondent for The Chicago Daily News.

at least half way. "We shall have much to do together, and I am sure that we shall get it done," he declared, somewhat hopefully. When he sat down to write his memoirs years later, Ike acknowledged that the attitude expressed in that January, 1955, speech "may have seemed naive or overly optimistic."

He quoted his Congressional liaison assistant at some length, and for reasons which will become clear, it is interesting to hear what that worthy gentleman had to say, as his boss recalled it:

"Divided government—with the Congress in one party's hands and the Executive branch in the other's—is ordinarily the most costly and least efficient arrangement our citizens can have. It produces bills passed only for political advantage, no matter what their fiscal impact; it blocks bills needed by America, only because their passage might credit the Administration; it harasses through investigations, through excessive demands on administrators, through misrepresentations, and ends up leaving the people utterly confused as to who did what to whom.



"In short, it exalts the petty, demeans the noble, rewards irresponsibility, makes a virtue of stagnation, and bamboozles the public."

What makes the above quotation of more than passing interest is that its author is Bryce Harlow, who holds the same post under President Nixon as he did in the Eisenhower White House. If Harlow is correct, the Nixon Administration is clearly in for a rough season in Congress, unless, of course, the President adroitly avoids offending Democrats and steers clear of those controversial paths which invariably stir the partisanship beast in every politician.

Ike understood what he had to do. He wrote that, although he couldn't expect the Democrats to "welcome my proposals with open arms," he had some cause for hope, the chief ingredient of which was his personal acquaintanceship with the two Democratic leaders, both Texans and both deeply respectful of Gen. Eisenhower's war record. Thus, Ike reasoned, "bipartisan cooperation would be neither impossible nor distasteful."

In fact, Gen. Eisenhower had been born in 1890 in what later became a part of House Speaker Sam Rayburn's district. For many years prior to his becoming President, the general was affectionately called "Capt. Ike" by Rayburn.

Ike also had quite friendly relations with Senate Majority Leader Lyndon B. Johnson, which he cultivated assiduously. LBJ never forgot Ike's solicitude when he had a heart attack in 1955 and the President kept in frequent touch with him, either by visiting him in the hospital or through friends and correspondence. In the last Eisenhower term, Sen. Johnson was so cooperative with the Republican Administration that he earned the hostile nickname of "Lying Down Johnson" from his more militantly partisan Democratic colleagues.

President Eisenhower was not all that appreciative, however. In fact, he was critical of the Eighty-fourth Congress, which was dominated by the Democrats, for its apparently overzealous desire to investigate his Administration. The Eighty-third Congress had appropriated a total of $8.1 million for investigative purposes; the Eighty-fourth voted $11.3 million for the same purpose. While Ike conceded Congress' right to investigate was "unchallengeable," he questioned what he thought was harassment of hard-working officials.

In general, though, he presided over eight relatively placid years, in which the edges of political controversy were never very sharp. The government was divided most of the time, but not immobilized, for Ike made no great demands upon the Congress and cut no new furrows, to speak of. And the Rayburn-Johnson leadership was a boon, despite Harlow's rather bleak analysis of the divided control.

Mr. Nixon's plight can scarcely be compared to Ike's. Not only did he fail to achieve any clear-cut mandate in his narrow victory over former Vice President Hubert Humphrey, but he lacks the personal magnetism and therefore widespread public support that sustained Gen. Eisenhower. But more even than that, he has no Sam Rayburn or Lyndon Johnson among the Democrats in the Ninety-first Congress.

In Senate Democratic Leader Mike Mansfield, he has a mild-mannered, judicious man of goodwill, who will give his program a fair hearing but will not abandon his Democratic views and outlook. House Speaker John McCormack is not rabidly partisan but he will not rush to any barricades for a Republican President. As a consequence, Mr. Nixon must rouse no passions among the Democratic partisans if he is to preserve his chances of moderate support for moderate measures.



Plymouth got into a lot of people's business this year.

Not only this year. But last year, and a lot of years before that. Since 1963, Plymouth's fleet sales have nearly tripled. (Seems we're doing things right!)

What's behind all the companies' decisions to go about their business with Plymouth? A competitive price, to be sure. Engineering. Good resale value. And the greatest looks Plymouth ever wore.

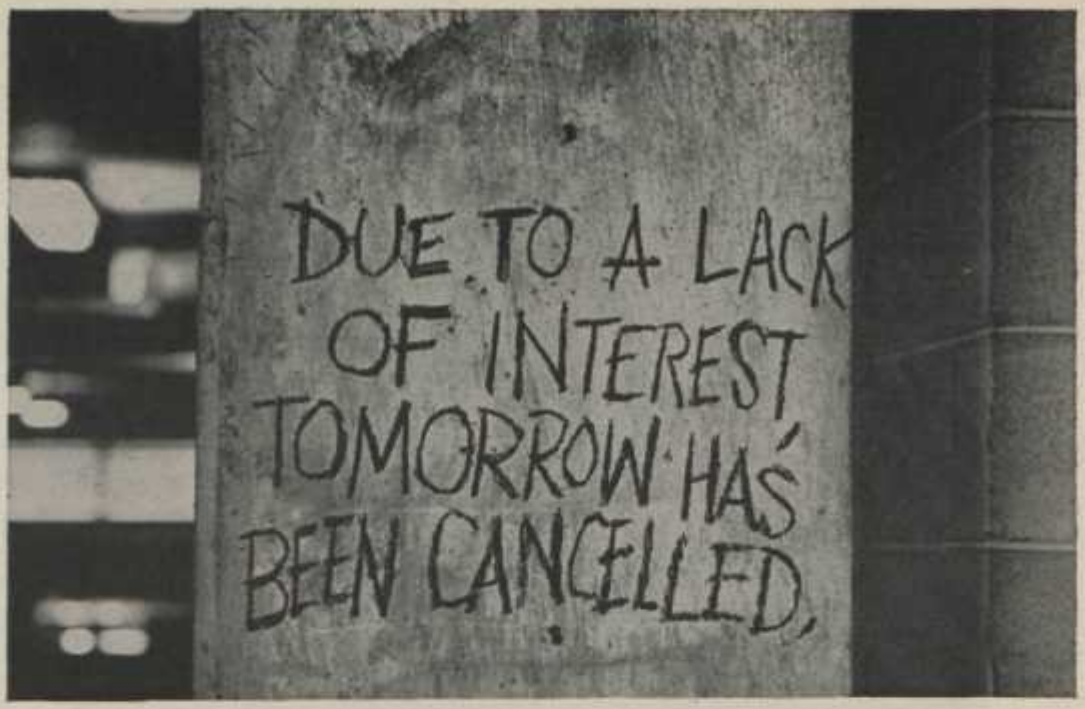
But there's more. We add features on where others leave them off. Things like 7-step dip-and-spray process to fight rust. Strong, single-unit body. Torsion-bar suspension for outstanding handling. No car in the price class has them, except Fury. Fury also has the biggest brakes and biggest trunk in its class. What's more, the *Automotive News* Roominess Index credits Fury with the most interior room in its class.

If you're a fleet buyer getting ready to order your '70's, here's what you'll find in our new Fury. Important class exclusives. And more features that make Fury *the* car to do business with.

Plymouth Fury. The car that makes fleet buying decisions a whole lot easier. It has in the past. It will in the future. It's . . . **The Great Decision Maker.**

Plymouth

CHRYSLER MOTORS CORPORATION



Sounds ridiculous, doesn't it?

But what if everybody in this country were to throw their hands up in despair and say they don't give a hoot.

Indeed, there would be no tomorrow.

But fortunately, Americans have a way of solving their problems.

And that's just what's going to happen in these troubled times. Simply because it's always been an American tradition.

Now, how can you, as one little ole citizen in this big, wide country of ours, be of any help?

Well, take a minute and think about a U.S. Savings Bond.

That's right, a U.S. Savings Bond.

No, it isn't an immediate remedy for all our ills. But it helps.

If everybody were to buy just one $25.00 Savings Bond (cost $18.75), your country would be stronger economically to wipe out some of those scars we've been sporting.

Of course, everybody would be helping themselves, too. If you were to sign up on a Bond purchase plan where you work or bank, you'd have quite a nice nest egg for yourself one of these days.

You'd have a lot more dollars in the kitty for things like college educations, that new home, or a secure retirement.

So think about a U.S. Savings Bond today.

And then go out and buy one.

Tomorrow.



If they're lost, stolen, or destroyed, we replace 'em.

Take stock in America

Buy U.S. Savings Bonds & Freedom Shares

The U.S. Government does not pay for this advertisement. It is presented as a public service in cooperation with The Department of the Treasury and The Advertising Council.

TELLING IT LIKE IT IS

BY FELIX MORLEY



In his current annual report the president of the Carnegie Institution of Washington, Dr. Caryl P. Haskins, comments on the continuity of scientific development. The enormous progress of recent years, he points out, has been built up, step by step, on the accomplishment that preceded it. Darwin would have been "delighted" by contemporary applications of his basic thinking "On the Origin of Species."

By contrast, it is very doubtful that the great English authors contemporary with Darwin would have rejoiced at the current state of literature in that language. They would have been able to read novels like "Portnoy's Complaint," in spite of unfamiliar words and phrases. But they would certainly have been revolted by the subject matter. So the question arises: How is it that unquestionable scientific advance should coincide with pronounced artistic decadence?

Some will deny this deterioration. It is argued that the modern novel, like the theater, music, painting and sculpture, has merely turned from romanticism to realism. Nowadays we "tell it like it is." Sex is a dominant force in life and therefore should be so depicted, without any covering of modesty or reticence. Discord, of one kind or another, is all around us, so music and painting should also be discordant. It is not the role of art to reform, but rather to depict the manners of its period.

Moreover, it is added, censorship of any kind is abhorrent to artistic expression. If people are interested in the uninhibited portrayal of lust or sex perversion, no barriers to the portrayal should be allowed. If the artist thinks himself more creative under the influence of "pot" there should be no restriction on its use. The Supreme Court has decreed that there are no immutable standards. Permissiveness is the key word. What counts today is "the going thing."

The trouble with this thinking is that it leads headlong into anarchy, of which there is now terrifying evidence on every hand. Crime on the streets, violence in the colleges, mob protests and disorderly demonstrations have various immediate objectives. But all spring from a common root. All are a deliberate defiance of constituted authority. All maintain that the assumed right of the individual to judge for himself shall not be limited—by parents, by college presidents, by the police or by any other form of government.

To cope with this anarchy is the more difficult because up to a point, now far exceeded, protest against authority has always been a part of the American tradition. The basic concept of free enterprise is that the individual entrepreneur can run his business better than any governmental agency. From the beginning Americans have opposed the idea of any dominant or "established" church. "Throw the rascals out" has always been the rallying cry of our politics. Indeed Thomas Jefferson went so far as to assert that "the tree of liberty is watered in the blood of revolution."

But it is well to remember that, even in his uncomplicated era, Jefferson's thinking was generally regarded as extreme. Happily more effective was the undemagogic attitude of James Madison, the principal architect of the Constitution, who emphasized that: "We rest all our political experiments on mankind's capacity for self-government." Those who can restrain themselves do not invite authoritarian control. And it is the absence of self-restraint, especially among the young, that is forcing the contemplation of severe discipline today.

To allege that juvenile discontent is currently inspired by communism is a superficial diagnosis. Undoubtedly, communist sympathizers welcome any disorders that weaken the unity and stability of our society. But Marxist theory is the polar opposite of the anarchy that is being

Contributing columnist Felix Morley is a Pulitzer Prize-winning former newspaper editor and college president.

promoted in the United States today. Every American hippie or hoodlum with a modicum of intelligence must know he couldn't get away with it in any country under communist control. Czechoslovakia is only the latest proof of that.

It is our responsibility to find an American, not a Russian, solution to the problem of incipient anarchy. And that requires consideration of factors which are not immediately obvious. Blame is placed on the miserably inconclusive war in Viet Nam, and certainly that foreign policy blunder has aggravated youthful rebellion. Racial discrimination, real or fancied, is another evident cause of discontent. But something more elusive, and quite beyond governmental remedy, seems to be fermenting behind these and other specific grievances.



We are given a clue in the essay by a famous research scientist to which reference has been made. Dr. Haskins, skilled in inductive reasoning, says there is "real risk" that our tremendous medical advance may paradoxically lead to holding human life less sacred. "There is the associated possibility," he concludes, "that the *capacity for reverence* itself [his italics] . . . might slowly be eroded."

That this erosion is taking place, and not so slowly, can be attested by any responsible religious leader, regardless of his creed. And whether it can be restored, in any church, by more permissiveness is dubious. Those who believe that "God is dead" are unlikely to maintain any other form of reverence. Without trust in God there is small reason to trust a government. The credibility gap will widen in the lesser as in the greater case.

Reverence is a complicated quality, having both an intellectual and an emotional content. The scientist knows that there are laws, many still to be discovered, that govern not merely human life but the entire universe. The artist knows, or knew in years gone by, that he could best evoke emotion by religious themes, whether in evanescent sacred music or in timeless cathedral architecture.

On the intellectual plane reverence seems to be growing stronger. No astronaut, we may be sure, will embark for the moon without first involving himself in prayer to the Creator of our planetary system. Yet on the emotional plane the erosion of reverence is actively cultivated. Nothing is sacred any more. Delicacy is Out and decadence very clearly In.

Future historians, seeking to explain the depravities of our era, will probably connect them with the great wars, in which brutality was glorified, the value of human life denied and ethical standards subordinated to State control. It is that perverted form of patriotism against which a large proportion of our youth is in revolt today.

Material recovery from these wars, thanks to scientific and technological progress, has proved remarkably easy. Spiritual recovery, as suggested by current best sellers, has been far less successful. For greatness a nation needs something more than gross national product, important as a basis though that is. Refinement in national product, though less subject to statistical analysis, also counts. And it is lacking.

Just a century ago, in the middle of the Victorian era, a simple romance which still sells steadily was first published. Its name was "Lorna Doone;" its author an English schoolmaster named R. D. Blackmore who had no inkling that his rambling love story would become a classic, translated into every European language.

To place "Lorna Doone" beside current novels of lust and perversion is to realize the extent to which the quality of reverence has disappeared in the relationships of men and women. It shows us that concepts of chivalry are pushed aside; those of depravity enthroned. When President Nixon says he plans to "crack down on . . . peddlers of pornography" one wonders with which big-name publishers and well-ordered bookstores he will start.

A turn from the artificial prettiness of romanticism, the critics tell us, was inevitable. Now we have had it and, hopefully, revolt from the sordid ugliness of what is called realism is overdue. As the song in "Oklahoma" said prematurely of Kansas City some years back: "They've gone about as far as they can go."

Before casting stones at the prevalent nihilism of unruly youth it would be well to remember who first turned down that now obviously dangerous road. Many of us will, in simple honesty, be forced to admit that the choice of direction was, in the first instance, our own.



Chevy trucks are out working when other trucks are worked out!

Don't take our word for it. Check scrappage rates for lo these many years. You'll find a smaller percentage of Chevy trucks scrapped each year than any other make.

Want reasons? Read on.

Chevy starts with a truck frame that won't fall apart in the stretch. A broad-beam ladder-type frame built with alligator-jaw crossmembers riveted solidly to heavy gauge channel side rails. Under that goes the toughest front suspension in the business, using coil springs to soak up bumps. (Easier on you and your truck, too.) Then Chevy tops it all off with a durable High Torque Six or V8.

A cab this good-looking should be around awhile. So Chevy reinforces it with double walls of steel where stress is greatest and builds in fender liners to ward off rust.

Still not impressed? Consider this: Chevy trucks were first in registrations in 1968. And have been for 31 consecutive years. . . . Chevrolet Division of General Motors, Detroit, Michigan.

CHEVROLET

More trucks are Chevrolets because Chevrolet is more truck!

PEOPLE, PLACES, AND THINGS



YOUR USF&G AGENT CAN INSURE THEM ALL

From your loved ones to your institutions to your personal possessions–count on your USF&G agent for insurance coverage. He's the insurance professional, the independent businessman you can trust for competent, personalized counselling that helps protect virtually all you value. Consult him with confidence as you would your doctor or lawyer. He's listed in your Yellow Pages.

USF&G

The USF&G Companies, Baltimore, Md. 21203. United States Fidelity & Guaranty Co., Fidelity & Guaranty Life Insurance Co., Fidelity & Guaranty Insurance Underwriters, Inc., Baltimore, Md. 21203 / Fidelity Insurance Co. of Canada, Toronto / **Casualty / Fire / Marine / Multi-Line / Life / Group Insurance / Fidelity / Surety Bonds**

PLAYING AT SAFETY

BY ALDEN H. SYPHER

The massive might and fury of the government of the United States is descending on the first business firms charged with violating the National Traffic and Motor Vehicle Safety Act of 1966.

Two are tire manufacturers. No one questions the fact that today they are making better tires than ever before. They must, to meet competition. But one line of one firm and two of the other fail to meet the requirement set by the new safety bureau.



The other accused firm is an Italian auto maker. Its cars' side rear view mirrors are convex. Thus the area viewed is larger, but objects look smaller. The bureau's safety experts say the mirrors should be the other way around—objects viewed should look larger, even if the field of vision is made smaller.

This kind of nit picking is the inevitable result of a law enacted by Congressmen on an almost hysterical binge of righteousness whipped up on the groundless claim that they were checking the slaughter on the nation's highways.

With the same enthusiasm and irresponsibility that flows in political speeches at the end of torchlight parades, members of both houses saddled on the nation a costly law that does not do and cannot do what they said they intended it to do.

It was a hell-bent Congress. It enacted much of the Great Society program and financed its start.

It appropriated $413,119,000 more than former President Johnson asked in his defense budget.

It gave the President authority, which he had not sought, to mobilize up to 789,000 reservists without even declaring an emergency.

These representatives of the people appropriated $5.6 billion for a two-year run of Food for Peace, without knowing that hunger in America was just as gnawing and nearly as widespread as in some of the recipient foreign countries.

Hope, however unfounded, that a law aimed at auto makers and tire manufacturers somehow would end violent death on the highways was highlighted by President Johnson when he said:

"In this century more than one and a half million of our fellow citizens have died on our streets and highways—nearly three times as many Americans as we have lost in all our wars. . . . I am proud of the Eighty-ninth Congress which took my proposals and brought forth those laws.

"And I'm proud at this moment to sign these bills—which promise in the years to come to cure the highway disease, to end the years of horror and give us years of hope."

That was on Sept. 9, 1966.

Since then the National Highway Safety Bureau has required that new cars be equipped with safety belts, shoulder harnesses, head rests, collapsible steering columns, padded panels and other items determined by these public servants to be necessary to halt the slaughter on the roads.

They've written and are enforcing standards for tires and other automotive equipment.

They have added $2 billion a year to the cost of Americans' automobiles.

And in the same period 150,000 persons have met sudden violent death on the nation's streets and highways—at about the same rate as before the Congress and Mr. Johnson turned medicine men to cure the highway disease.

Not enough time has elapsed for any accurate statistical evaluation of the costly new safety equipment.

The evidence accumulated so far shows it to be nearly worthless, or in some cases worse than worthless, for it may impart to some drivers a confidence in safety that doesn't exist.

While the federal government was attacking the automobile as the killer on the highway, the Automobile Club of Michigan, evidently more concerned over needless death, began an in-depth study of the causes of highway fatalities.

Frederick N. Rehm, general manager of the Michigan auto club, got the cooperation of the Michigan secretary of state, the state police,

Contributing columnist Alden Sypher is former editor and publisher of Nation's Business.

other police and sheriffs' units and state-wide organizations, and hired accident investigators to find the facts.

Carefully they checked into the background, circumstances and possible causes of 435 traffic deaths—20 per cent of Michigan's total in 1966.

They found 89 per cent of all fatal accidents attributable directly to violation of law. They found also:

"Driver failure—due to bad habits and attitudes, alcohol, ignorance, poor judgment, inexperience, or any combination of these—underlies most fatal accidents.

"The alcohol figures speak for themselves (alcohol was involved in 44 per cent of the deaths, including several teen-age drivers too young to buy it legally).

"The disproportionately large number of high-point drivers involved in these accidents is evidence of the role of habits and attitudes (3 to 5 per cent of drivers whose records show they were not fit to drive caused 15 to 30 per cent of the fatalities)."



Speed too fast for conditions, the inexperience of young drivers, and other causes that may be corrected only by better law enforcement, better education, more serious courts and parental concern were listed.

(In a similar check-up Florida AAA investigators found 55 per cent of drivers killed in Dade County—Miami—accidents had been drinking.)

But what about defective automobiles? Here's what actual study in Michigan turned up:

"As near as our investigators, who are not automotive engineers, could determine, vehicle defects as accident causes were statistically nonexistent in the study. One bald tire on one of 504 cars involved in fatalities may have added to the severity of the accident."

And what about seat belts, which are required by the safety experts and ignored by nearly all the traveling public?

"In the 52 cars so equipped, only two drivers wore seat belts. Both were killed." In general, though, the investigators concluded that seat belts may help.

What about motor vehicle inspection, which is being recommended by the federal safety experts as a way to cut highway deaths?

Michigan, without compulsory inspection, found its death rate matches exactly the average of all states that have compulsory inspection—5.5 deaths per 100 million vehicle miles and 5.4 deaths per 10,000 vehicles.

Five states with compulsory inspection have accident rates above the national average, investigators found, and another five states without it have accident rates below the average.

Secretary of Transportation John Volpe knows what causes death on the highways. If he didn't know before, Mr. Rehm has told him in a letter suggesting that the National Highway Safety Bureau, which is in his department, concentrate less on automobiles and instead spend its time and talents determining and curing the actual causes of traffic fatalities.

"We have proved conclusively to ourselves that vehicles cause hardly any accidents," Mr. Rehm wrote. He also sent reports of Michigan's continuing studies.

"We are completely opposed to compulsory motor vehicle inspection because there is no evidence that the result it produces is in any way in proportion to its expense to motorists.

"We feel the federal government has probably passed the point of diminishing returns, based on presently available information, in adding safety to automobiles.

"Too little attention has been paid to our studies and others which keep showing that autos cause very few accidents.

"This is unfortunate, for even when the perfect vehicle is built—if it ever is—there will still be accidents."

Perhaps an Administration not committed to the impossible project of building the perfect vehicle could get Congress to take another look at the National Traffic and Motor Vehicle Safety Act of 1966.

Most members of Congress already have changed radically their attitudes on many things —such as the needs and desires of the Pentagon.

They even might turn the Act around and aim it at the actual causes of negligent, careless violent death on our streets and highways.

Don't expect too much from Congressmen when it comes to interfering with complete freedom on the streets. Drivers vote. Even drunk drivers.

But so do widows.

Pitney-Bowes White Tape first aid for people who mail packages.



1. As soon as you feel a package coming on, take a Pitney-Bowes postage meter and print the exact postage you need on Pitney-Bowes White Tape. It's neater than a jumble of stamps. It's faster than lining up at the post office.

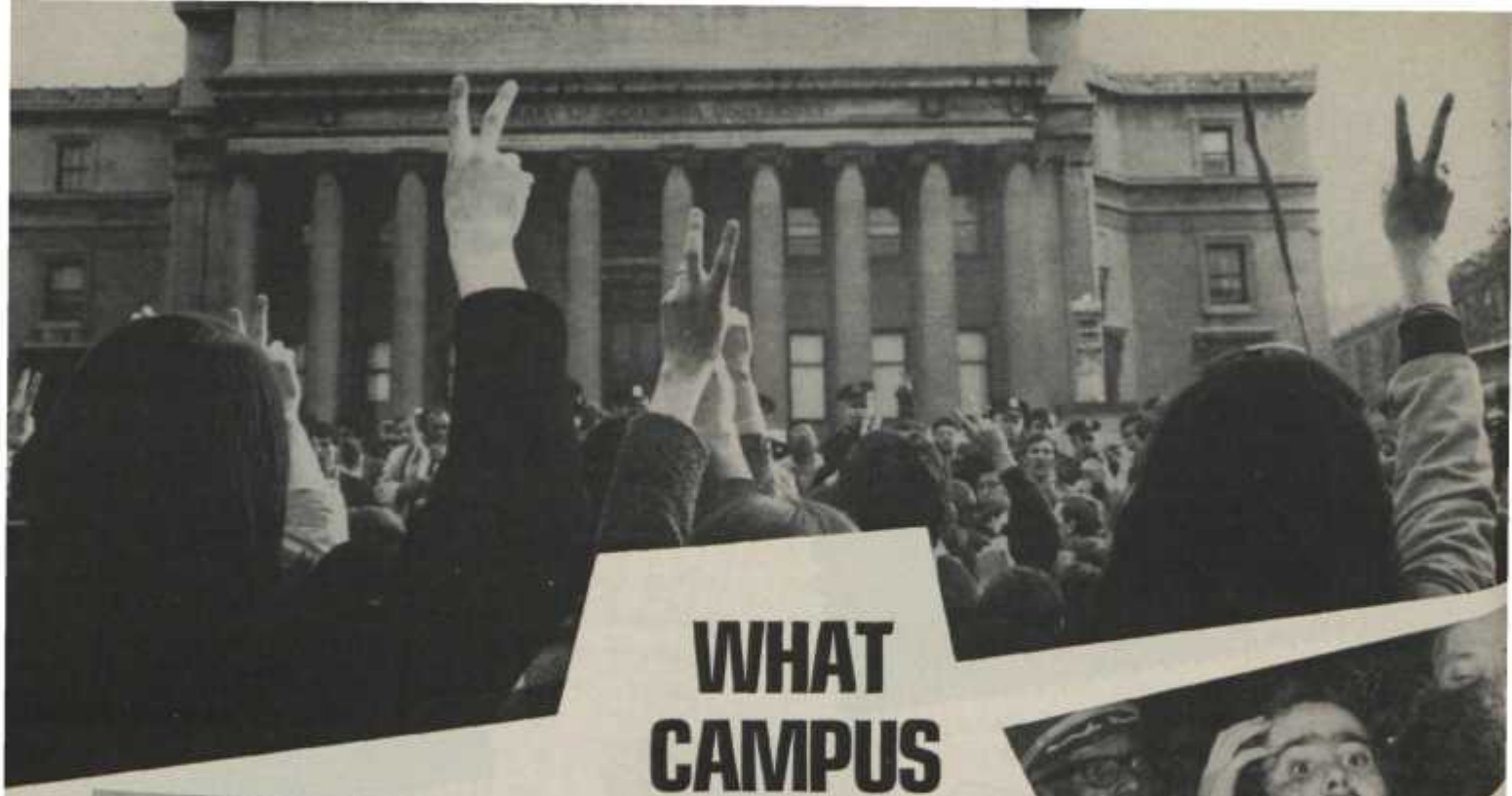
2. Because you always have the right postage on hand, you can get it into the mail almost as fast as you can wrap it. The tape is already moistened. The meter dates your package, too, proving you mailed it on time.

3. Your Pitney-Bowes machine does its own bookkeeping, too. Keeps an exact tally of what's been used. And remember, if you can show, at the end of the year, an accurate account of your postage costs—they're tax-deductible!

4. As if stamping, dating, documenting and bookkeeping weren't enough, Pitney-Bowes White Tape can promote your business, too. To the left of the date you can print a little ad that tells the world what you do.

For information, write Pitney-Bowes, Inc., 3243 Pacific Street, Stamford, Conn. 06904, or call one of our 100 offices throughout the U.S. and Canada. Postage Meters, Addresser-Printers, MailOpeners, Folders, Scales, Inserters, Counters & Imprinters, Collators, Copiers, Fluidic Controls.

Pitney-Bowes



WHAT CAMPUS REBELLIONS MEAN TO YOU











PHOTOS:
TED COWELL, STEPHEN CHARIS—BLACK STAR,
WIDE WORLD PHOTOS, UPI

NATION'S BUSINESS
JUNE 1969

In an age of moral crisis, when violence is sweeping college campuses like a virulent disease, the most dangerous error a businessman can make is to believe that he has nothing at stake, that somehow student rebellion can be quarantined.

Campus rebels already have launched attacks against business firms. In the past year, college campuses were the staging grounds for:

- A threatened seizure of New York's Consolidated Edison Co., one of the nation's largest utilities.
- A plan to send hundreds of "customers" into Macy's where, at a prearranged time, they would stage a mass looting of the world's largest department store.
- A protest in the new General Motors Building in New York, with pickets carrying signs declaring: "Expropriate GM profits for a free, beautiful subway system."

The attacks on business, however, have not been confined to threats or slogans. On many college campuses, recruiters for the Dow Chemical Co., which manufactures napalm, have been physically obstructed by sit-ins and body blockades.

An attempt in mid-March to obstruct recruiters for General Electric represented an attack on profit-making as such. At Queens College in New York, GE recruiters were harassed by student leftists who accused GE of "profiteering" by using colleges as the "breeding grounds" to train future scientists and engineers for industry. These attacks on business, however, have thus far been comparatively minor skirmishes.

The rebels' main assault has been against the colleges. The basic tactic is to seize buildings, to disrupt classes and to create a general climate of terror and intimidation. At Columbia, rebels have held hostages, roughed up professors, burned a professor's research notes and looted the files of the university's president. At Brandeis University, they threatened to burn down libraries and lecture halls unless their demands were met. At San Francisco State College, they were urged to carry weapons and an unsuccessful attempt was made to dynamite a college building. And at Cornell University, weapons actually were carried.

Although these campus actions have been extensively reported, the press and TV coverage has not adequately explained the rebels' goals, or analyzed the arguments they use to justify their resort to force. As a result, while most Americans undoubtedly feel the rebels' actions are improper, they do not understand the long-range implications of student rebellion, or know how to answer the rebels' arguments.

DR. ROBERT HESSEN, *author of this article, is an assistant professor in the Graduate School of Business at Columbia University. An economic historian, he has been closely observing the direction that waves of student violence have taken. Dr. Hessen presently is writing a book analyzing and answering arguments of the New Left and student power advocates.*

A new American Revolution

Socialism is the ideology which unites the leading groups of student rebels. The largest group is Students for a Democratic Society, a loose-knit, nationwide organization which claims over 35,000 members on 250 campuses. Other groups include the Progressive Labor Party, the Young Socialist Alliance, the Youth International Party and the Third World Liberation Front. (In all, the rebels comprise no more than 3 or 4 per cent of the student population.)

Despite disagreements about strategy and tactics, these groups are agreed upon the necessity of a revolution in America to overthrow capitalism and establish socialism. Some hope to transform America into a carbon copy of Mao's China or Castro's Cuba, while others claim to have no particular blueprint in mind. Tom Hayden, a founder of SDS, recently declared: "First we will make the revolution, and then we will find out what for."

The student rebels are trying to establish the principle that use of force is a proper means to achieve their goals. Therefore, they confront the college with "non-negotiable" demands. At the University of Chicago, for example, rebels demanded immediate admission, on full scholarship, of every youth whose family income is under $7,000 a year, with a $60-a-week compensation to be paid the family.

Such demands are deliberately arbitrary, so that no matter what response the college makes, the rebels win. If the college yields, or tries to negotiate, that serves as an invitation to the rebels to make new demands. On the other hand, if the college rejects the original demand, the rebels cite that refusal as justification for their use of brute force.

But as Ayn Rand recently noted: "If and when, in any dispute, one side initiates the use of physical force, that side is wrong—and no consideration or discussion of the issues is necessary or appropriate."

The basic goal underlying the rebels' arbitrary demands is to achieve "student power." Backed up by the threat of force, they insist on voting power over the university's budget and curriculum, over the hiring, promotion and salaries of faculty, and over recruiting of students. They attempt to justify this goal by invoking a slogan—"participatory democracy." They claim that people have a right to vote on anything that affects their lives, and that students, therefore, should have voting control over the university.

If the student rebels succeed in establishing "participatory democracy," it could become applicable in all areas which affect peoples' lives. Workers, for example, would be entitled to voting power over a company's pricing and production policies, over the salaries and promotions of executives, and over the hiring of new workers. And customers would vote on the prices charged in stores.

The concept of private ownership and control would be destroyed—which is, in fact, the aim of the student left.

The proper answer to the demand for "student power" is that a college is not a cooperative, and that an entering student does not acquire any proprietary interest. (In this context, it does not matter whether the college is private or tax-supported.) Anyone who enters an institution as a student is bound by its rules.

If a student does not like the administrative policies or the curriculum, he has the same option as the client of any private business or public institution, namely, to withdraw and try to find a more suitable source of the service he seeks.

He has no moral or legal right, however, to cripple or close the college if it fails to meet his demands.

A lesson to be learned

If student rebels are permitted to continue their periodic disruptions, the quality of education necessarily will deteriorate. Scientific inquiry and serious scholarship cannot be carried on in an atmosphere of strife.

A number of eminent professors already are leaving our major uni-

versities for new posts in Canada and for smaller campuses in out-of-the-way places.

Many faculty members and administrators seem impotent in the face of terror. We are seeing a rerun of the kind of tactics used by Nazi students in the early 1930's, when they intimidated and disrupted German universities.

The fate of Japan's universities also can provide a powerful object lesson to anyone who minimizes the seriousness of student rebellion. In Japan, a nationwide organization of student leftists, the Zengakuren, can and does call months-long strikes.

Last year, Tokyo University did not award any medical degrees, because its students lacked adequate training to qualify as physicians. This year, the university will not award any diplomas or admit any new students in the fall.

The Japanese economy's growth and prosperity has been jeopardized by the crippling of its universities, which educate the future scientists, engineers and executives. If student rebels are allowed to cause the deterioration of our colleges, if college administrators respond to aggression with appeasement, we, too, will suffer irreparable losses.

An equally serious threat is that use of force will spread to other groups in our society. If students can seize university property, workers can seize factories, customers can seize stores and tenants can seize buildings.

The attacks on business noted earlier are only trial balloons in the rebels' long-range drive to plunge America into a socialist revolution. They realize they are numerically too weak for an all-out assault on business. This was acknowledged in a resolution passed at the January, 1969, national convention of SDS: ". . . Students alone cannot and will not be able to bring about the downfall of capitalism." Therefore, the rebels now are actively recruiting revolutionary allies.

Prosperity? It's "enslavement"

Traditionally, socialists have addressed their primary appeal to workers. However, workers have shared in the general prosperity of American capitalism, and thus they value a home in the suburbs more than a place at the revolutionary barricades. This has caused today's leftists to attack the affluence of the working class as a form of exploitation, as enslavement to material goods. According to Prof. Herbert Marcuse, one of the intellectual mentors of the rebels, the role of the student leftists is to teach the workers that they do not need cars or refrigerators or television sets or washing machines. Marcuse declares: "This merchandise prevents the liberation of the serfs from their 'voluntary servitude'."

Since American workers have shown almost no support for attempts to attack business, the student rebels have had to look elsewhere for allies. At its January convention, SDS decided to de-emphasize its opposition to the Viet Nam war and turn itself into "an anticapitalist youth movement."

According to a friendly editorial in *The Guardian*: "While continuing to expand its base on the traditional college campuses, SDS organizers will increase their efforts in high schools, the military, community colleges and trade schools, and especially among young workers in factories and among the unemployed." The recent rash of high school riots seems to bear witness to SDS' new directions.

A preoccupation with Swahili

The student leftists also have joined forces with the black militant groups on college campuses. The search for revolutionary allies explains why white leftists are supporting the campaign by black militants for separatism and even segregation. It also explains why student rebels are more eager to promote the study of Swahili and African music than the study of science or business or law or any other subjects which would give Negro students a greater stake in the American economy.

To the socialists, the primary appeal of the proposed autonomous black studies departments is that they will dwell on details of slavery and discrimination, foster a sense of estrangement from American society, and thereby make Negro students receptive to the call for revolution.

In view of the threats posed by the student rebels, businessmen, as alumni, can urge every college to deny its facilities and funds to any group which advocates force, either on or off campus. As voters, they can urge legislators to impose more careful controls on money used for state-supported colleges.

As a measure of self-defense, every college can adopt the policy promulgated by the University of Notre Dame: "Anyone or any group that substitutes force for rational persuasion" will be given 15 minutes to cease and desist. Those who refuse to comply will be suspended, and if they persist, will be expelled.

Both as taxpayers and as private donors, businessmen must concern themselves with how their money is being spent in the colleges. It is short-sighted and self-destructive for businessmen to make gifts to colleges which give sanctuary, or grant amnesty, to student terrorists. Those who value the preservation of a free society should stop subsidizing the advocates of terrorism and socialism. **END**

STUDENTS WHO DON'T MAKE HEADLINES

It's high time somebody investigated the unconventional behavior of students at tiny Thiel College in Greenville, Pa.

A group of Phi Theta Phi fraternity brothers staged a walkathon through more than a dozen nearby communities and raised $1,630 which they donated to Children's Hospital in nearby Pittsburgh.

The Chi Omega sorority sisters have adopted a Navajo Indian girl in New Mexico and contribute to her support. At Christmas time they sing carols at the St. Paul Home for the Aging.

Thiel students raised almost $1,000 for college-related charities and the local Community Chest. They are regular donors at the Greenville Hospital Blood Bank.

Each week a group of Thiel students visits St. Paul Children's Home to tutor orphans. The Sigma Phi Epsilon fraternity house is the scene of an annual Christmas party for these youngsters.

Students teach Sunday evening parish classes at St. Michael's Church. In the summer they paint, repair and do odd jobs in Greenville community centers to help create a better atmosphere for local youngsters.

For the same price you're paying now, you could be riding on Firestones.

Firestone quality doesn't cost you anything extra. In fact, it can make you money in the long run.

Take the Firestone Transport, the Town & Country, the Transport-110, and Super All Traction truck tires.

All four feature Shock-Fortified nylon cord construction for extra strength and impact resistance. Plus exclusive Sup-R-Tuf® rubber for even wear and long mileage.

Firestone truck tires. Built right. Priced right. Get them at your nearby Firestone Dealer or Store. Or specify them when you buy new trucks.

MEMBER ATA AMERICAN TRUCKING INDUSTRY



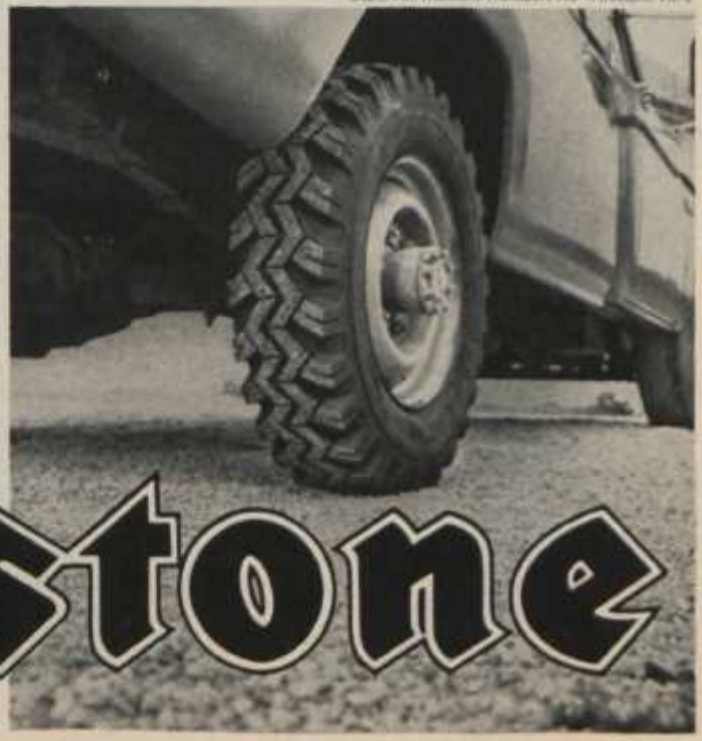


Transport® and Town & Country®: Great combination for low-cost mileage, with all-season traction on the rear.

Transport-110: Original equipment tire for any wheel position.

Super All Traction: For long on-highway mileage and superior off-highway traction.

Super All Traction, Transport-110—Firestone TM's



Firestone



PHOTOS: BERYES-KAUFMAN—BLACK STAR

Life has brought new rewards to Harry Palmer since he was hired by Ford under the company's hard core employment program. He relaxes with his wife after a day's work in the big River Rouge foundry at Dearborn.



THE JOB MAKES THE MAN

Militants tried to stop them, but the auto companies gave blacks a chance to hold their heads higher

The employment ad in the Detroit newspaper caught Harry Palmer's eye, but he had been conned by whitey before, so why bother applying for the job.

Harry Palmer was black and virtually unskilled. Furthermore, a police record he picked up in his youth had been dogging him for 15 years.

Still, the word was out in Detroit's teeming black ghetto that Ford Motor Co. meant what it said and was serious about opening its employment doors to people like Palmer.

The fact that Ford had set up two hiring offices right in the middle of the Black Belt certainly gave a ring of sincerity to the company announcement. Palmer, and thousands of his kind, felt that perhaps things really were changing.

Two other factors were equally convincing. Ford was dropping the written test for job applicants which had long frightened and discouraged the ghetto dweller. And just as important, Ford was willing to overlook a man's police record except for very serious crimes.

All this began in October, 1967, and since then more than 5,600 employees have been recruited in Ford's inner city hiring program.

General Motors and Chrysler have attacked the Detroit ghetto unemployment problem with equal vigor and report successes matching Ford's. (American Motors, based in Wisconsin, has a jobs-for-the-underprivileged drive of its own there.) Early efforts by black militants to sabotage the Detroit program failed.

Harry Palmer was one of the first to be signed up and he has stuck it out.

They don't all make the grade. The fallout rate in the first one or two months is discouragingly high. For those who do make it, a new life has been forged and now they can hold their heads a little higher.

Henry Ford II, chairman of the board, set the tone for this program when he said:

"We Americans have reached a point in our history where we must at last put up or shut up about equality. Our goal is to do all we realistically can to give people who have been held back by prejudice and poverty a chance to earn a decent life."

For Harry Palmer, now 37, these have not been empty words. Before he walked into his new world at Ford's sprawling River Rouge complex he was lucky to bring in $70 a week. That's when he worked. Oftentimes, the family—two of the four children still live at home—merely existed on unemployment



This is the way Detroit's ghetto residents reacted when Ford Motor Co. announced it had jobs for the hard core unemployed.

THE JOB MAKES THE MAN *continued*

compensation and when that ran out, the welfare check.

A new life beckons

Today, Palmer's take-home pay —with overtime—averages about $170 a week. He has moved up the ladder several times, from stock handler to cast iron inspector in the River Rouge foundry. Looking back he can say now:

"I tried everything I could to find a decent regular job. I felt I wasn't a man. My wife had to do domestic work. You know, down on her knees scrubbing the floor?

"We were going deeper in debt. Now we're making progress. We have a budget—putting a little money aside. We don't have that tension around the house the way it used to be.

"Now I can do things for the two younger children that I never could do for the other two. I can even be extravagant every once in a while. Take the family to dinner and the movies."

It took some time after Palmer caught on at Ford until he was ready to believe it really would last.

"I'll be frank," he says. "I thought I'd work for about three months and they'd lay me off. That's the way it's been around Detroit for a long time. If you are lucky enough to get a job you're the first one they let go if the job plays out. The white man always manages to hang on."

Palmer also could remember many times in his life answering an ad for a job only to find the door shut in his face, apparently because of his color.

"That all seems to be changing now," he explains. "The people in my crowd—and most of them have some kind of police record—just about gave up on ever finding a job. If you're black and you don't have much education and you been in trouble with the police, well, you got three strikes against you."

But for some time now in Harry Palmer's neighborhood the word has been out that when the auto industry has openings the black man is given a chance. Despite his color, his lack of training and the police record.

Palmer was born in Detroit and grew up in the kind of environment you would expect. The temptation to crime was all around. Money was in short supply. Sooner or later some of the teen-agers—or younger kids—headed for reform school. In older groups the penitentiary beckoned. There were few jobs for black youngsters. Employment opportunity was still narrow as they edged out of their teens.

For some—not many—there was college leading to good jobs. This was not to be Harry Palmer's world.

He was 17 when he married. Two children came rather quickly. Then, he recounts, at 20 he held up a jewelry store. Fortunately for Palmer, he used only a toy pistol and was charged with unarmed robbery. But it meant 18 months in the state penitentiary and a stigma he would carry for life.

Jail record closes doors

"I finally got a job when I got out—in a die casting plant," Palmer recalls. "Of course I lied about my prison record. I guess I was there about three years when they found out. No, they didn't fire me. Instead, they took me off an hourly wage and wanted to change my job. But it meant working much longer hours and much less pay, so I quit."

Palmer tried to get a job at a Detroit refinery but his penal background came to light again.

He knocked at many doors and finally was accepted for employment in the city's incineration department. Of course, Palmer concealed his prison background.

"Everything was going on fine for about six months when suddenly there was a big investigation," he relates. "The city charged for burning trash and garbage and everything had to be weighed. Well, a lot of people were cheating on the scales. I didn't have anything to do with that, but while they were investigating they found out I'd served some time. I got fired on the spot."

There were odd jobs that followed and long periods of unemployment. The welfare checks outnumbered regular pay checks.

When race rioting seared Detroit in 1967 and part of the city went up in flames Harry Palmer almost lost his home. The two-story building housed 12 families. Palmer and others kept the roof watered down to help save the structure.

It was not long after this that the Ford inner city program got under way. The big auto manufacturer was preparing to resume operations after a crippling 66-day strike. Job openings had to be filled. The company turned toward the Detroit ghettos, where it could find some of the needed workers and at the same time do something about reducing hard core unemployment.

In two Community Action centers, one a short distance from the Twelfth St. riot area, the city made space available to Ford to use as recruitment offices. Lawrence J. Washington, employee relations representative for the company, tells what happened:

"Actually, we had planned to go

"I'll tell you what I think of Inland-Ryerson buildings...

"In 1964 our plant was completely destroyed by fire. In just 22 weeks, Inland-Ryerson had us back in production. Since then our production levels have increased tenfold, yet our facilities are only four times as large as they were in 1964. Inland-Ryerson buildings helped us meet critical production deadlines by offering the flexibility necessary to meet our growing requirements. From start to finish, we got the help we needed from our local Inland-Ryerson building specialist."

Inland-Ryerson buildings have been providing profitable answers to building problems for years. Talk to the Inland-Ryerson specialist near you. Look him up in The Yellow Pages under "Buildings-Metal" or get our full-color idea kit. Wire us collect, using the form below. Inland-Ryerson Construction Products Co., Dept. B, 4123 West Burnham Street, Milwaukee, Wisconsin 53201.

we just bought our eighth!"

John K. Hanson, President
Winnebago Industries, Inc.
Forest City, Iowa



Wire us collect.

Or mail coupon.

INLAND RYERSON
Building Systems
A member of the INLAND Steel Family

DOMESTIC SERVICE
Check the class of service desired; otherwise the message will be sent at the full rate
TELEGRAM
DAY LETTER
NIGHT LETTER

WESTERN UNION
TELEGRAM

W. P. MARSHALL, Chairman of The Board
R. W. McFALL, President

INTERNATIONAL SERVICE
Check the class of service desired; otherwise the message will be sent at the full rate
FULL RATE
LETTER TELEGRAM
SHORE SHIP

NO. WDS.-CL. OF SVC.	TIME FILED	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Inland-Ryerson Construction Products Co.
Dept. F, 4123 West Burnham Street, Milwaukee, Wisconsin 53201

Planning building to use as a _____

Size _____ ft. long, _____ ft. wide. Am in the _____

_____ business. Rush idea package.

Name _____ Title _____

Firm _____

Address _____ Phone _____

City _____ State _____ Zip _____

The only real difference is the price.



You use Xerox toner in your Xerox copier and get good copies. Use Nashua xerographic toner, get the same good copies and save up to $500* a year per machine. So, why pay more for toner and not realize any improvement in copy quality? Only Nashua can offer you the proper "Q.P.R." (Quality/Price Relationship) in a full line of xerographic toners because Nashua *specializes* in the manufacture of office copy supplies. After all, a large, independent producer of office copy supplies that *specializes* in a "line" can be more realistic about product value. Nashua is. Check the facts and figures* with your service-minded Nashua dealer. Our quality speaks for itself!

Copier supplies for xerographic, electrostatic and thermal copy machines.

NASHUA CORPORATION

* Savings based on average retail prices.



about hiring without too much fanfare. Notices would be sent out that Ford had some jobs to offer and we would have interviewers at the two community centers to take applications from anyone who would apply.

"Since it was part of the plan to do the hiring there, that meant physical examinations and all the rest. But the doctor in charge knew he would be needing help and went to the Detroit newspapers and asked them to publish stories to that effect. The papers, which of course did not know of our plans, made inquiries and so the story got out."

Jobs lure thousands

On Oct. 30, 1967, rain and snow swept across the city. But in front of the two makeshift Ford recruiting centers an estimated 2,000 to 3,000 persons huddled in line waiting for the doors to open. Some arrived at 1 a.m.

"We were only equipped to hire 50 men that first day," Washington recalls. "It was obvious the rest were convinced the company hadn't really leveled with them. But we took them all in, in small groups, and explained that we would take an application from every single one and that they were to return. They did."

Washington, himself a Negro who went to work at Ford in 1939 as a 75-cent-an-hour screw machine operator and who has been active in the ghetto hiring program, says the company decided not to use its regular interviewers because they had become accustomed to handling a more well adjusted type of applicant.

Instead, Ford handpicked interviewers equipped to deal with the peculiar shortcomings of individuals who would never have shown up at the River Rouge hiring offices.

Interviews were short and to the point. An applicant was asked only for basic information—name, address, social security number, education, military and employment background, and police record, if any. Physical examinations were conducted in a nearby room and if the man passed he was instructed to report to work the following morning. To applicants who had no transportation, Ford gave money for two weeks' bus fare.

One of those whom Washington helped process at the centers was Harry Palmer. He didn't say much but he conveyed the feelings of the thousands who stood in the rain and snow that first morning: "Take me. I need a job."

"No, they don't all make it," Washington explains. "For one reason or another some haven't got it in them. Most of these jobs are hard work. It takes discipline to be able to get up early every day and be at the plant on time. But for those who really want to work, the program has been a real success."

For some, ironically, the mere fact they are able finally to land a decent job is more than they can handle. They are done in by the first big pay envelope. They have to celebrate over the weekend and cannot face the reality of returning to work on Monday. Washington cites many such cases.

Absenteeism a problem

"Absenteeism is a major problem," he points out. "This is where we lose most of them in the first one or two months. If a man can hold on for 30 or 60 days we feel we've got a real hold on him."

For those who clear this critical period the retention rate is actually slightly better among workers hired in the ghetto centers than in the regular employment offices at River Rouge.

Ford has made it a strict policy not to label the ghetto worker once he's on the job. Other employees have no way of knowing who is hired in the ghettos or who comes through normal employment channels. Supervisors, of course, know the difference and are asked to make an extra effort to be somewhat more sympathetic with the former.

Harry Palmer didn't quite make it through high school. In this respect the breaks were somewhat better for his 17-year-old son, Roger Allen. Young Palmer is now in Viet Nam where he recently completed an accelerated high school course and won his diploma. He's also won a silver star for gallantry in action.

Education and training have not necessarily ended, though, for Harry Palmer. For those who choose it, Ford offers training on the job enabling them to advance in both classification and pay. Palmer now has an opportunity to become a supervisor. He isn't sure yet he wants to take on that responsibility, but, he's thinking about it.

Some of the credit for Palmer's performance so far must go to John Lemon Jr., his immediate supervisor. Says Lemon:

"Harry's doing well but I still have to work with him. Sometimes he looks like he may slip, but we talk it over and then he's back there pitching in."

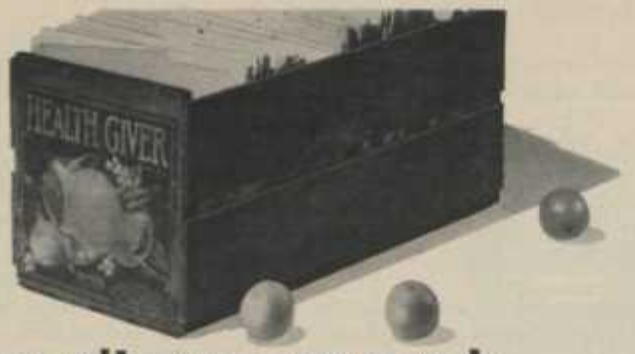
Lemon, who has had a number of men like Palmer under his wing since the program began, is aware of the difficulties of redirecting the outlook of a grown man whose whole background has failed to prepare him for the disciplines required in developing good work habits.

"If they've never had a decent job how can you expect them to change overnight," he explains.

"So I try to work a little harder with them. Still, some of them go

Lawrence Washington, left, Ford employee relations representative, and John Lemon Jr., a supervisor, work closely with ghetto-recruited employees.





You can't squeeze much fire protection for vital records out of ordinary metal files, either

An ordinary metal file isn't much better than an orange crate to protect vital records from fire. For *certified* fire protection, keep your important records in Meilink protection equipment—Hercules Fire-Fighting Files and Meilink Safes. They're especially engineered, built, and insulated against fire. Call your Meilink dealer for details and a catalog. You'll find him in the Yellow Pages under "Safes-Meilink."

Write for free "3 Minute Protection Quiz" to spot your danger spots.



MEILINK
STEEL SAFE COMPANY
Box 2567 Dept. NB-6 Toledo, Ohio 43606

SOLD BY MOST OFFICE EQUIPMENT DEALERS IN U. S. AND CANADA

REVOLUTIONARY NEW
Audiscan®

PAT. PENDING

THE AUDIO-VISUAL FILM STRIP SYSTEM COMBINING SIGHT AND SOUND IN A SINGLE EASY-TO-CHANGE SEALED CARTRIDGE! Space age technology enables us to offer you sight and sound in a single 5"x5"x1½" electronically operated cartridge you simply snap into the projector for **instant** playing. You can change to another cartridge—and another, then another, as often as you want, to build as long a presentation as you need. It's goof-proof, and extremely reliable. Absolutely no skill or training required. Cartridge accommodates up to 225 frames, and 25 min. of sound on perfectly synchronized magnetic audio tape and continuous-loop film **sealed in!** Portable 12½-pound rear screen projector has controls for volume, hold, picture advance. Automatic shut-off. **Audiscan, Inc., 1414A 130th N.E., Bellevue, Wa. 98004. Phone 206-454-0694.**



Cartridge snaps into projector for instant use. Change cartridges in seconds.

MAIL COUPON TODAY!

AUDISCAN, INCORPORATED
1414A 130th N.E., Bellevue, Wa. 98004
Please send information on Audiscan.

Name _____ Title _____
Firm _____
Address _____
City _____
State _____ Zip _____



THE JOB MAKES THE MAN
continued

sour. I've been burnt and I'll be burnt again. I had one show up late for work five days in a row. So I took him aside and said, 'Look, I've tried to be fair with you. Now, I have to depend on you and I can't check on you every five minutes.' This seemed to get through to him and everything worked out well."

Workers show the way

Lemon's experience with Detroit's hard core unemployed is shared by other supervisors at River Rouge. Charlie Cole, a 24-year-old Ohio University graduate and one of the youngest general foremen at the foundry, puts it this way:

"Most of these people have never been able to set any goals. Many never had an example to follow at home, and there never seemed to be much for them to shoot for.

"But now the hard core hired are setting an example for many of their friends who are still walking the streets—kicking beer cans. Jobs aren't the whole answer for these people. But they're a start."

The auto industry's ghetto hiring has not been without problems. In the beginning, black militants did their best to torpedo the program. In Ford's case, for instance, after the company had hired more than 2,000 the militants tried to convince inner city residents that the number was really only 75.

They passed the word that Ford was only hiring ex-convicts because it could get them cheaper. Also, they sought to get across the idea that although some jobs were being opened, the auto companies had agreements never to advance the ghetto Negro into supervisory jobs.

Within the United Auto Workers union the militants organized rump unions such as DRUM (Dodge Revolutionary Union Movement) and FRUM (Ford Revolutionary Union Movement). At one militant rally in a neighborhood church a raffle was conducted at which the top prizes were carbines.

None of these opposition efforts succeeded, however, and it is difficult today for the militants to convince anyone the Big Three auto makers have not been sincere in wanting to hire the hard core unemployed. Certainly none of the thousands of inner city residents drawing decent, regular pay checks.

In Harry Palmer's words:

"You've just got to give a man a job. There's no other way." **END**

She'll fight to the end for Maple Walnut.



And she may have to.

Because there's a new breed of social critic around today who thinks that it is wasteful to have so many different brands of the very same product on the market.

Chances are, they'd think that Howard Johnson's 28 flavors of ice cream is about 20 flavors too many.

And that's a clear threat to Maple Walnut.

Because, if the government responded to these critics, there would be fewer brands of *many* products on the store shelves. *And your free choice would be a little less free.*

But, restricting competition isn't the way this country got prosperous.

Competition has been the spur that has produced the endless innovations that have created jobs and entire industries . . . made life easier to live. More enjoyable. **More rewarding.**

Without competition, there's no point to making things better at lower prices . . . putting cold cream in soap, color in bath towels, frozen juices in cans or walnuts in ice cream.

You know—maybe the critics are inventing a new kind of ice cream salesman. *The Bad Humor Man.*

Magazine Publishers Association

An association of 365 leading U.S. magazines

NEW LENDING LAW

WHAT YOU MUST TELL YOUR CUSTOMERS

You will have to give a lot of information with your credit to consumers starting July 1.

Businessmen then will begin operating under the complexities of the so-called truth-in-lending law, which requires creditors to inform noncommercial customers of costs, terms and conditions of a credit arrangement.

Involved will be tens of billions of dollars in loans each year. In 1968, an estimated $180 billion in consumer credit was extended, exclusive of mortgages, and the bulk of that would have been covered by the law. So would have billions of dollars in individuals' mortgages.

Rules businessmen must follow under the law, which is part of the Consumer Credit Act signed by President Johnson last May, were drawn up by the Federal Reserve Board. Its Regulation Z spells out those rules.

The Board's Advisory Committee on Truth-in-Lending has tentatively scheduled a meeting in September to see what compliance problems have arisen by then.

To aid in understanding the law, the Board has published a series of questions and answers. Here's a condensation:

Q. *Who must comply with the so-called truth-in-lending law?*

A. Any person or business which regularly extends or arranges for credit to individuals for personal, family, household or agricultural purposes. This includes banks, savings and loan associations, retail stores, credit card companies, auto dealers, credit unions, consumer finance companies, mortgage bankers and even hospitals, doctors, dentists, plumbers and electricians if they regularly extend or arrange for credit.

Q. *Will the law fix a maximum charge for credit?*

A. No.

Q. *What types of credit are covered?*

A. Credit to individuals for personal, family, household or agricultural purposes which does not exceed $25,000. All real estate credit to individuals for such purposes is covered, no matter what the amount.

Q. *Are any types of credit exempt?*

A. Yes. Business and commercial credit are exempt as is credit to governmental units at the federal, state or local levels.

A governmental unit which extends credit to an individual for personal, family, household, or agricultural purposes must abide by the law, however. Also exempt are transactions in securities or commodity accounts with a broker-dealer registered with the Securities and Exchange Commission and some types of transactions under regulated public utility tariffs.

Q. *Can a state law substitute for the required federal disclosures?*

A. If a state law imposes substantially similar requirements and adequate enforcement is provided.

Q. *In what way must credit terms and conditions be disclosed?*

A. In the terminology specified in Regulation Z, and it must be clear and conspicuous and in writing.

Q. *What information must be provided?*

A. The charges a customer must pay to obtain credit including, in most cases, the finance charge and the annual percentage rate.

Q. *What must be included in the finance charge?*

A. All charges imposed by the creditor and payable by the customer—or by another party for the customer's account—either directly or indirectly to obtain credit. The finance charge includes not only interest but also loan fees, finder's fees, time price differentials, investigation fees, premiums for credit life insurance required by the creditor, points and other similar charges.

Q. *Are all charges and fees part of the finance charge?*

A. No. Some costs—specified in Regulation Z—may be excluded if they are itemized and disclosed to the customer. Examples are taxes, license fees, registration fees, a fee

for a certificate of title and fees fixed by law which are paid to public officials. Some types of real estate closing costs such as title examination fees, notary fees, appraisal fees and fees for preparation of a deed may also be excluded.

Q. *In what form must the finance charge be expressed to the customer?*

A. It must be stated both as a dollar and cents total—except in the case of sale of a dwelling, where the total dollar finance charge need not be stated at all—and as an annual percentage rate.

Q. *How accurate must the annual percentage rate be?*

A. It must be disclosed to the nearest quarter of 1 per cent.

Q. *How is it computed?*

A. That depends on whether the credit is open end or other credit such as instalment credit.

Q. *What is open end credit?*

A. An arrangement under which credit may be extended from time to time with finance charges levied against any unpaid balances each month. Many revolving charge accounts offered by department stores and credit card accounts are of this type.

Q. *How is the annual percentage rate computed on open end credit?*

A. The finance charge is divided by the unpaid balance to obtain the rate for one month or whatever other time period is used; this result is multiplied by 12 or the number of time periods used by the creditor during the year. In the case of a typical charge of 1½ per cent of the unpaid balance with bills presented monthly, the annual percentage rate would be 18 per cent.

Q. *How is the annual percentage rate computed on credit other than open end?*

A. It must be computed by either the so-called actuarial method or the "United States rule." Under both methods the annual percentage rate is the same where payments are equal and are made at equal intervals.

Q. *Is there a convenient way to determine the annual percentage rate?*

A. Yes. Tables have been prepared by the Federal Reserve Board to determine the annual percentage rate based on the finance charge and the number of weekly or monthly payments. They may be obtained at nominal cost from the Federal Reserve Board in Washington, or from any Federal Reserve Bank.

Q. *What are examples of the actuarial method?*

A. For a $100 bank loan repayable in monthly instalments over one year at a 6 per cent add-on finance charge, the annual percentage rate would be 11. In this case the borrower would repay $106 over one year but would have use of the $100 loan only until he makes his first payment. At that point he is repaying part of the principal and has less money at his disposal.

Using the same set of circumstances but this time with a 6 per cent finance charge discounted in advance, the annual percentage rate would be 11½ per cent. That's because the customer would receive $94, must repay $100 and again would have full use of the loan only until he made his first payment.

Q. *What information must be disclosed before a person opens a new open end account?*

A. The customer must be advised in writing of:

Conditions under which a finance charge may be imposed and the period within which payment may be made without incurring a finance charge.

The method of determining the balance upon which a finance charge may be imposed.

The method of determining the finance charge.

The periodic rates used, the range of balances to which they apply and the corresponding annual percentage rates.

The conditions under which additional charges may be imposed and the method for determining them.

A description of any lien the creditor may acquire on the customer's property.

The minimum periodic payment required.

Q. *Must similar information be sent persons who already have open end accounts on July 1, 1969?*

A. Yes. The same information must be sent to the customer by July 31 if the account has an unpaid balance. For accounts on which no balance is owed, the same set of disclosures must be made by the first billing which follows use of the account.

Q. *Is a periodic statement required on open end accounts?*

A. Yes, if there is an unpaid balance exceeding $1 or if a finance charge is made.

Q. *What information must be disclosed in the monthly statement?*

A. These provisions, to the extent they apply:

The unpaid balance at the beginning of the billing period.

The amount and date of each purchase or credit extension and a brief description of each unless this was furnished previously.

Any payments made by the customer; returns, rebates and adjustments.

The finance charge expressed in dollars and cents.

The periodic rates used to compute finance charges on the account and the range of balances applicable.

The annual percentage rate.

The unpaid balance on which the finance charge was computed.

The closing date of the billing cycle and the unpaid balance as of that date.

Q. *Is a different set of disclosures required for credit other than open end?*

A. Yes. They are spelled out in Regulation Z.

Q. *What are some examples of this type credit?*

A. A loan from a bank to buy an auto is an example. Another is credit by a store to buy a washing machine or television set. In all cases, the loan or credit sale is for a fixed period and the amount and number of payments is specified as well as the due date of each payment.

Q. *Are the finance charge and annual percentage rate disclosed in this type transaction also?*

A. Yes, except in some specified first mortgage real estate transactions where the finance charge's total dollar amount need not be stated.

Q. *What other disclosures must be made?*

A. The customer must also be told:

The date when the finance charge begins to accrue.

The number, amount and due dates of payments.

The sum of these payments ex-

cept in the case of a first mortgage to finance a dwelling.

The amount or method of computing any default or late payment charges.

A description of any security interest to be acquired by the creditor.

The method of computing any penalty charge for early repayment of the credit plus a statement outlining the charges which may be deducted from any rebate or refund.

Q. *Must the creditor always disclose the annual percentage rate?*

A. On credit other than open end credit, it need not be stated if the finance charge is $5 or less and applies to credit of $75 or less; or if the finance charge is $7.50 or less and applies to credit exceeding $75. Until Jan. 1, 1971, the creditor at his option may state the annual percentage rate in dollar terms, such as $11 finance charge per year per $100 of unpaid balance. After this, however, the rate must be stated as a percentage.

Q. *What must be disclosed in a loan transaction?*

A. In addition to the basic disclosures listed above, the customer must be told:

The amount of credit which will be paid to him or for his account including all charges, itemized individually, which are included in the amount of credit but are not part of the finance charge.

Any amounts deducted as prepaid finance charges and required deposit balances.

The total amount to be financed.

Q. *What else must be disclosed in a credit sale?*

A. In addition to the basic disclosures, the credit sale customer must be told:

The cash price.

Down payment.

Difference between cash price and down payment.

All other charges, itemized individually, which are included in the amount financed but are not part of the finance charge.

Unpaid balance.

Any amounts deducted as prepaid finance charges or required deposit balances.

Total amount financed.

The sum of the cash price, the finance charge and all other charges. This item need not be disclosed in the case of a first mortgage.

Q. *When must all this information be furnished?*

A. Generally before the credit is actually extended.

Q. *Where should the disclosures be made?*

A. On the face of one of the loan or credit papers, or on a separate statement.

Q. *Are monthly statements required in the case of credit other than open end?*

A. No. But if the creditor does send statements he must list the annual percentage rate and the period in which payment must be made to avoid late payment charges.

Q. *Is real estate credit covered by "truth-in-lending?"*

A. Yes, real estate credit to individuals.

Q. *What provisions apply to real estate credit?*

A. There is no need to disclose the total dollar amount of the finance charge on first mortgages to purchase dwellings.

The customer in some cases has the right to cancel a credit arrangement within three business days if his residence is offered as collateral for credit.

Q. *Does a first mortgage on a residence carry this right of cancellation?*

A. A first mortgage to finance purchase of the customer's residence carries no such right to cancel.

Q. *Is a mechanic's lien—an interest retained in a residence by a plumber or other craftsman who does work on credit—subject to the right of cancellation?*

A. Yes, if the craftsman imposes a finance charge or allows payment in more than four instalments. And this will probably prompt the plumber to wait three business days after an agreement is signed to begin work.

Q. *May this right of cancellation be waived if the customer needs emergency repairs and can't wait three days?*

A. Yes. A customer may waive his right to cancel a credit arrangement if his safety, property or welfare would be endangered by failure to make repairs immediately.

Q. *Must the creditor or craftsman disclose to the customer his right to cancel the contract within three business days?*

A. Yes. In writing, before the three-day period begins.

Q. *Is advertising of credit covered by "truth-in-lending?"*

A. Yes. In general, no advertisement may state that a specific down payment, instalment plan or amount of credit can be arranged unless the creditor usually arranges terms of that type.

Q. *What other advertising provisions are there?*

A. No advertisement may spell out a specific credit term unless all other terms are stated clearly and conspicuously.

Q. *Does this apply only to newspaper, radio and television advertising?*

A. No. It applies to all forms of advertising including magazines, leaflets, flyers, catalogs, public address system announcements, direct mail literature, window displays, billboards or any other media.

Q. *Who enforces "truth-in-lending?"*

A. Although the Federal Reserve Board issued the regulation to carry out truth-in-lending, enforcement is spread among nine federal departments and agencies.

Q. *What are the penalties for violating "truth-in-lending?"*

A. Willful violations are punishable by a fine of up to $5,000, up to a year in jail, or both. Furthermore, if a creditor violates the law, the customer may sue him for twice the amount of the finance charge (and if successful, the customer could collect not less than $100 or more than $1,000), for court costs and reasonable attorney's fees.

Q. *Is inspection of creditor records possible?*

A. Yes. Under the law each creditor must make his records—they should be kept two years—and evidence of compliance available for inspection by the appropriate enforcement agency. **END**



"Our business really took off after Continental Insurance showed us how to cut risks."

Orville and Wilbur Wright, Bicycle Manufacturers

Being in business is risky enough without letting unexpected uninsured losses eat into your profits. That's why insurance should be thought of as a way of protecting profits rather than just as an expense. Ask your Continental agent to show you how profitable this new way of thinking can be for your business.

The Continental Insurance Companies

Continental Insurance • Firemen's of Newark • Fidelity & Casualty • Commercial • Niagara • Seaboard F. & M.
Buckeye Union • American Title • National-Ben Franklin Cos. • Boston Old Colony • Washington General
HOME OFFICES: 80 MAIDEN LANE, N.Y., N.Y. 10038; 10 PARK PLACE, NEWARK, N.J. 07101





Twenty-five years after getting the model postwar reconversion plan for U. S. cities under way, Albert Lea, Minn., stil

THE SECRET OF PROSPERITY

World War II's test case town of Albert Lea, Minn., keeps on proving self-help pays

"If every community would tackle its own unemployment problems, it would be the most wholesome thing that could happen to this country."

When Secretary of Commerce Jesse Jones said this in 1943, World War II was at its height. But nobody doubted the ultimate outcome and a few government officials were beginning to look ahead to the day when peace would come.

For the nation's business community, the tall, white-haired Texas publisher-banker was sounding a call to join hands and somehow avoid the chaotic reconversion trauma of unemployment, despair and rootlessness that seemed to follow each of the country's wars.

What was needed was a method that could be applied to the home town U. S. A. that GI's yearned to come back to from their foxholes on Saipan or rain-soaked pup tents in Italy.

The method that evolved has come to be known as the "Albert Lea Plan," for it was the Minnesota town of Albert Lea that became the model for self-help in postwar reconver-



PHOTOS: GERALD K. BRINKACOMBE—BLACK STAR

uses methods that cause its people to say there's no other place to live or work.

sion by communities throughout the nation.

Albert Lea still is helping itself today, and on Oct. 15 it will celebrate 25 years of operation of a program whose principles still can show the way to towns and cities beset by all kinds of problems.

It has a secret of prosperity—cooperation, not by just a few but by all people who work together to find solutions for problems vital to them all.

Commerce Secretary Jones had urged postwar planning on officials of the Chamber of Commerce of the United States and the recently organized Committee for Economic Development.

The Albert Lea Plan evolved from a discussion on a Pullman car carrying a Minnesota group home from that meeting.

Thoughts of bread lines

Still fresh in the minds of the men on the train, says Minnesota author and historian James W. Clark, "were the pictures of the bread lines which formed after World War I, the bonus march, the period of unrest, severe unemployment, deflation, and depression now considered the product of unplanned readjustment . . .

"There was a conviction that with the conflict in which they were then engaged requiring more men, more money and more destruction, its aftermath might well be disastrous no matter how complete the victory. . . . There was a felt need that a catastrophe . . . might be avoided by early and appropriate measures taken to prevent any repetition of 1920-35."

The men on the train included J. Cameron Thomson, president of the Northwest Bancorporation and vice chairman of the National Chamber's Committee on Economic Policy; Jay Hormel, head of Geo. A. Hormel Co., the giant food processor located at Austin, Minn.; Arthur Upgren, vice president and economist of the Federal Reserve Bank of Minneapolis; Basil (Stuffy) Walters, editor of the *Minneapolis Star-Journal and Tribune* and Harry Zinsmaster, chief of a baking firm.

This group spent many hours discussing how Minnesota could do its part in the postwar planning. Out of these discussions was to emerge the idea of Mr. Thomson to form the Northwest Research Committee, a regional organization to cooperate with area communities in their efforts.

It was Mr. Hormel, most agree, who suggested Albert Lea as a test town.

There were many reasons for its selection. It was representative of scores of towns in the Minnesota-Iowa area. It had an intangible quality that a comparative newcomer, Donald Asby, manager of the local J.C. Penney Co. store, tries to describe like this today:

"When you drive through Albert Lea, you're struck by a nostalgic feeling that this is what your town ought to be . . . a good place to raise a family, to work, to build your ties with the community."

More concretely, Albert Lea's Chamber of Commerce was receptive to new ideas and the head of that Chamber's Industrial Development Committee was a man with the

Learn about
the advantages of
pre-engineered buildings

SEND FOR OUR FREE PLANNING PORTFOLIO

Our new planning portfolio tells you all about the advantages of Parkersburg Building Systems and how the systems can fit into your building plans.

You'll learn how you can have the building you want for less than you'd imagine. Over a quarter of a century of experience has taught us a lot about how to give you quality while saving you money. Whether it's a commercial building or an industrial building—large or small—you'll find what you're looking for with a Parkersburg Building System. Send for our Planning Portfolio and see for yourself how we can fulfill your building needs.



Parkersburg®
BUILDING SYSTEMS
Walker/Parkersburg
Dept. NB-3, P.O. Box 1828
Parkersburg, West Virginia

☐ Please send me my Planning Portfolio.
☐ Please have a Parkersburg Buildings Dealer deliver me my Planning Portfolio.

Name
Company
Address
City State Zip
Phone

WALKER/PARKERSBURG • A textron COMPANY

drive and ability to get jobs done, C. E. Myers.

We're in the computer age today, the age of "methodology," "statistical systems analysis," "Delphi technique," "empirical models." But think back to 25 years ago. Then, how would you figure out what a community was going to need in the way of jobs after a war ended? How would you determine what a community was going to want? What it could pay for?

A community effort

As a first step, the Albert Lea Chamber of Commerce and Mr. Myers agreed to take on the job, but only as a total community effort.

"We had faith in our people," says Mr. Myers. And before the project was over, hundreds of housewives, teen-agers, employers were involved as sort of census takers.

Hundreds of letters were written to servicemen, and to residents who had taken war plant jobs in other areas.

Businessmen opened records, pored over past production figures and projected future needs.

They took a look at what they had: a community of some 12,000 located in southern Minnesota, near the Iowa border. Freeborn County was 449,280 acres of rich land created by receding glaciers, dotted with a dozen lakes. Its people were largely of Scandinavian, German and Irish ancestry, with a heritage of the land. Agriculture was the most important factor in the economy.

The town was named for Lt. Albert Lea, who mapped the area as part of Lt. Col. Stephen Kearny's command in an 1835 exploration.

The prewar labor force was 4,266 with 721 unemployed. In the middle of World War II this had grown to 5,455 workers with only 200 idle.

Income per family in 1940 was $2,101. Retail sales were $8.3 million and wholesale sales $4 million. There were 30 agriculture-based industries, headed by the big Wilson & Co. meat packing plant.

The staff of the Minneapolis Federal Reserve Bank did much of the statistical compilation for the project, taking the mountain of information collected in questionnaires, forms and comments by the hundreds of volunteers. One young bank employee deeply involved was Paul McCracken, now chairman of the President's Council of Economic Advisers.

Jobs had to be created

When the statistics were finished they showed that 1,012 workers were expected to return from service, and 250 who had gone to other regions planned to come home. Some 428 of the population soon would reach maturity. Taking into account those people who would leave Albert Lea after the war, it all added up to a postwar labor force of 6,561. Employers figured the most they could hire would be 5,968.

So the goal was to create 593 jobs.

The survey had measured the purchasing desires of the people when civilian goods were available again: autos, trucks, homes, farm equipment, refrigerators, radios, stoves. There was an overwhelming backlog of demand and there was money to pay for it, too, in savings, war bonds, good credit.

"If jobs are not found for these 593 men of Albert Lea and for the men in the 'Albert Leas' all over the country," the National Chamber warned in publishing the survey results, "private enterprise may lose its stake in the national economy."

Mr. Upgren, the Federal Reserve economist, believed two important things came out of the study. First was that the community accepted maximum responsibility to plan for jobs for returning veterans and others who would want to work there.

"The group at Albert Lea," he said, "realized that if high-level employment and efficient production are to be maintained after the war, private enterprise as a way for our economy and individual initiative as the driving force to get things done would have to play leading roles in our national housekeeping."

A second important result, Mr. Upgren declared, was development of a "methodological apparatus," the technique for compiling data on a community's needs.

The methodology was used to zero in on one particular area, jobs. But it also can be used in identifying and setting up machinery to solve a variety of social-economic problems besetting cities today. It is a technique

Is there intelligent life on earth?



Is there a part of the world where a whole generation has been able to grow up safe from aggression?

Is there a place in the world where people—freed from the threat of war—are able to build the kind of life they want?

Is there a region where countries are able to free themselves of the crushing burden of individual protection—by pooling their defense forces?

There is. In the section of the world that's protected by the North Atlantic Treaty Organization—NATO.

The formation of NATO two decades ago—right after the worst war in history—was one of the most intelligent decisions man ever made.

And the smartest thing we can do is support it—and build upon it.

If NATO wasn't here, maybe we wouldn't be here either.

For further information, write to The Atlantic Council, 1616 H Street N. W., Washington, D. C. 20006.



There is a picture book quality, a happy pride of community, that gives newcomers a sense of having found that nostalgic rural American Utopia.

THE SECRET OF PROSPERITY *continued*

recommended in the National Chamber's Forward Thrust program which evolved over the years as a total community development concept.

The National Chamber hoped the Albert Lea survey would show the way to other communities to determine postwar needs. Scores sent representatives to find out how it was done.

But determining needs was one thing. How did you create jobs?

When the report was published, it quickly became apparent that most of Albert Lea's soldiers and sailors were counting on it as a guarantee of work when they came home.

"Which one of those 593 jobs has my name on it?" ran a typical letter.

"And that's when we sat down to figure out how to create a job," says Mr. Myers. "People had the idea that we had the jobs. We didn't, but we just had to get them. The town had to do it."

Industrial park technique

And the townsmen did it. They did it by incorporating a group known as Jobs, Inc., which created the technique of attracting business with an industrial park—land and buildings offered for lease or sale for industry. It's a technique used successfully by hundreds of cities and towns since then.

The 25 industries directly related to the Jobs program will pay $327,179 in real estate taxes alone this year. Jobs Industrial Park has grown from about four acres to 245 acres in two parcels and is still open for expansion. As a corporation, Jobs, Inc. has built 12 industrial type buildings. It's sold eight and has four under lease.

The 97 businessmen who capitalized Jobs, Inc., with $100 each have seen it grow to assets of $450,000, and bring in 25 industries. Total employment for the town now stands at nearly 11,000.

"We never dreamed of asking for any kind of government help," says Mr. Myers. "And we never dreamed of making this anything but a free enterprise method."

When the men of the Albert Lea Chamber formed Jobs, Inc., they sat down and listed all the industries they thought an area with a strong agriculture base could use. And they set out to get them.

Almost everybody in town became a scout for potential business, including the waitress at a cafe who overheard three men talking about looking at a plant site somewhere else, copied down their car's license number and telephoned Jobs. Three of its members chased down the road to catch the site-hunters and tell their town's story.

Albert Lea had good luck in attracting a branch plant of the Universal Milking Machine Division of National Cooperatives, Inc., of Wales, Wisc. But only because an old building was available.

Y. H. Hanson, who was looking for a site for a branch plant of Universal Milking, never made it to St. Cloud, another town on his list. He liked the space offered and came to stay, eventually to operate his own manufacturing plant and become president of Jobs, Inc., a position he holds today.

"I like the people of Albert Lea," he says simply. "They told me what

Interior design by Richard Plumer — Miami



TRANSABILITY

puts decor on the floor

Transability — the right combination of skillfully engineered distribution services — is Ryder's profit protector for the style-conscious home furnishings business.

Because their products are bulky, big-ticket and easily damaged, many furniture and carpet companies mix and match Ryder transportation services to get just the right distribution effect. Ryder Full-Service Leases are popular; they put Fords on the road while the customer furnishes nothing but the driver. Peak periods, store openings, etc. frequently depend on trucks from the Ryder Rental fleet. Ryder Programmed Maintenance is popular with those who prefer owning their trucks, and many manufacturers use Ryder's Fleet Engineering Service before they buy. It gives them maximum economy and performance.

Any business can have improved distribution with the right selection from Ryder's list of 13 transportation services. Try Transability, Ryder's unique contribution to the science of moving goods.

RYDER

TRANSABILITY IS...

- Full-service truck leasing
- Daily and short-term truck rental
- One-Way truck rental
- Tractor Pool
- Trailer Pool
- Trailerplan
- Transportation-directed computer services
- Engineered distribution methods
- Auto leasing
- Contract carriage
- Fleet engineering
- Ryder programmed maintenance
- Training programs

applied in the right combination to give you the smoothest, most economical distribution system possible. To find the right combination for your business, contact any Ryder office or write us at Box 816, Miami, Fla. 33133, for a free copy of our Transability booklet.

Rent Hyster.®
Increase Production. Spend less.



HYSTER

N
W
E
S

HYSTER RENTAL SYSTEM

Renting new Hyster lift trucks makes sense—and dollars. Right away it loosens up your equipment capital for other uses. You pay a fixed rental rate—inflation-proof throughout your contract period. It can cover all maintenance and repair—eliminate costs of keeping your own parts stock, maintenance records, and service personnel. You're free from unexpected maintenance or replacement costs. You start with brand new trucks specifically engineered to your requirements. You work with properly maintained trucks. Result: *more uptime*—less downtime. Your nearest Hyster dealer, listed opposite, has the facts. Call him.

HYSTER COMPANY

HYSTER RENTAL SYSTEM • P. O. BOX 4 • PLAINVIEW, NEW YORK 11803

Rent it new. Rent it now. Rent Hyster.®

See these Hyster dealers:

Akron, Ohio (216) 724-9316
Albany, New York (912) 436-3155
Albuquerque, New Mexico (505) TR7-0550
Allentown, Pennsylvania (215) 395-2863
Atlanta, Georgia (404) 361-5300
Augusta, Georgia (404) 722-2768
Baltimore, Maryland (301) 682-3300
Bangor, Maine (207) 942-4838
Binghamton, New York (Vestal) (607) RA9-9121
Birmingham, Alabama (205) 595-2194
Boise, Idaho (208) 344-3947
Boston, Massachusetts (Cambridge) (617) EL4-3331
Buffalo, New York (716) 684-9040
Charleston, South Carolina (803) 723-4874
Charleston, West Virginia (304) 342-0136
Charlotte, North Carolina (704) 588-1300
Chattanooga, Tennessee (615) 892-3810
Chicago, Illinois (Bellwood) (312) LI4-0700
Cincinnati, Ohio (513) 681-2200
Clayton, New Jersey (609) 881-1393
Cleveland, Ohio (216) LA4-4141
Columbus, Ohio (614) 443-4688
Concord, New Hampshire (603) 224-4063
Dallas, Texas (214) RI1-3351
Dayton, Ohio (513) 278-4804
Denver, Colorado (303) 433-6413
Des Moines, Iowa (515) AT8-0123
Detroit, Michigan (313) 566-2650
Elkhart, Indiana (219) JA3-5644
El Paso, Texas (915) 532-3213
Erie, Pennsylvania (814) 453-6781
Eureka, California (707) 443-3015
Evansville, Indiana (812) 423-7771
Fayetteville, North Carolina (919) 483-9025
Fort Wayne, Indiana (219) 745-2765
Fresno, California (209) AD7-9113
Girard, Ohio (216) 545-4331
Gnadenhutten, Ohio (614) 254-4395
Grand Rapids, Michigan (616) LE4-4927
Greensboro, North Carolina (919) 275-4526
Greenville, South Carolina (803) 239-9687
Honolulu, Hawaii 583-689
Houston, Texas (713) CA5-5341
Idaho Falls, Idaho (208) JA3-0822
Indianapolis, Indiana (317) 244-3333
Jackson, Mississippi (601) FL4-3516
Jacksonville, Florida (904) EL4-4681
Jamestown, New York (716) 484-7481
Kansas City, Kansas (913) 621-4181
Kaukauna, Wisconsin (414) 766-5521
Lansing, Illinois (312) 568-2240
Lexington, Kentucky (606) 252-0386
Lima, Ohio (419) 225-3015
Little Rock, Arkansas (501) 945-4568
Los Angeles, California (213) RA3-6255
Louisville, Kentucky (502) 778-1671
Lubbock, Texas (806) SH7-2788
Marion, Ohio (614) 382-8110
Medford, Oregon (503) 779-3444
Memphis, Tennessee (901) 396-5595
Miami, Florida (305) PL9-6644
Milwaukee, Wisconsin (414) 781-4545
Minneapolis, Minnesota (612) 729-8361
Mobile, Alabama (205) 471-1501
Moline, Illinois (309) 762-0415
Nashville, Tennessee (615) 255-0449
Newark, New Jersey (201) AT8-1441
Newington, Connecticut (203) MO6-5431
New Orleans, Louisiana (504) 524-8601
New York City, New York (212) IL7-2666
Norfolk, Virginia (703) 627-2548
Oklahoma City, Oklahoma (405) 235-3449
Omaha, Nebraska (402) 331-7300
Orlando, Florida (305) 241-3607
Peoria, Illinois (309) 685-4024
Philadelphia, Pennsylvania (215) CA4-4600
Phoenix, Arizona (602) AL8-7151
Pittsburgh, Pennsylvania (412) 892-2666
Plainview, New York (516) WE5-8660
Portland, Oregon (503) BE4-6471
Richmond, Virginia (703) 232-7816
Riverside, California (714) 684-2261
Roanoke, Virginia (703) 342-2966
Rochester, New York (716) 325-6410
Rockford, Illinois (815) 964-3249
Sacramento, California (916) IV3-5528
Saginaw, Michigan (517) 752-8121
Salt Lake City, Utah (801) DA2-5631
San Diego, California (714) 278-9100
San Francisco, California (415) PO1-1600
San Jose, California (408) 297-8760
Schenectady, New York (518) 355-9700
Seattle, Washington (206) RO3-0250
Seattle, Washington (For Alaska) (206) BA6-6400
Shreveport, Louisiana (318) 424-5329
Spokane, Washington (509) KE4-0678
St. Louis, Missouri (314) LI2-1855
Syracuse, New York (315) HO3-9511
Tampa, Florida (813) 626-4153
Toledo, Ohio (419) 479-2223
Trenton, New Jersey (609) 695-6159
Tucson, Arizona (602) MA4-2335
Tulsa, Oklahoma (918) LU5-5702
Waco, Texas (817) SW9-6001
Walden, New York (914) 774-0501
Westbrook, Maine (207) 854-8411
Wilkes-Barre, Pennsylvania (717) 287-6480
Williamsport, Pennsylvania (717) 494-1500
Yakima, Washington (509) CH8-5636
York, Pennsylvania (717) 845-1621

In Canada:
Calgary, Alberta (403) 252-5558
Edmonton, Alberta (403) 488-5521
Montreal, Quebec (514) 342-9570
Ottawa, Ontario (613) 722-3421
Prince George, B. C. (604) 563-0442
Quebec, Quebec (418) 681-0519
St. John's, Newfoundland (709) 579-1131
Toronto, Ontario (416) 421-3553
Vancouver, B. C. (604) 254-5411
Winnipeg, Manitoba (204) 942-0661

they could do. They told me what I could expect of the people I hired. I was never disappointed."

The town even found a way to create a small, temporary housing park that became known as "Prefabville." It was a haven for returning veterans and their families.

Albert Lea also found that a town is not static, that it grows or withers, that someone always has to worry about keeping it alive and viable.

Keeping a good thing going

In 1950, Jobs, Inc. decided it was going to try to keep pace with its town's growth and continue to attract industry to provide jobs. It reorganized itself, retaining as president Mr. Myers, an executive with Interstate Power Co. who had turned down all offers of promotion if they meant a transfer, and William H. Sykes, a veteran Chamber of Commerce executive who had long served in a dual role of secretary to Jobs.

Actually, this is the secret of the success of the Albert Lea plan: the willingness of every businessman and almost every member of the community to lend a hand, to share the burden of leadership. As new business moves in, the leaders move into roles of responsibility. One, Robert Haley of Miami Margarine, now serves as president of the Chamber and on Jobs' board.

What makes Albert Lea tick?

"I think there is perhaps a competitiveness factor with other towns in the area," says Mayor Francis B. Crawford. "But over-all, any success you can say this town has had is because of an overwhelming pride of its people."

It's a place where there is no really major crime, and almost everybody goes to church.

Fountain Lake rambles through much of Albert Lea's residential section (there's a budding home building boom, too, on nearby Albert Lea Lake) and in the summer it is dotted with white sailboats. Even in winter, icebound, it lends a picture-book background to a setting which conforms to the nostalgic idea most people have of small town U. S. A.

"There's almost a therapeutic value about it," laughs Mr. Asby.

"This is a town where people will tell you, 'You'll like Albert Lea,'" says Mr. Hanson. "It's true. You belong quickly. People like the land, the schools, the churches, the way of life."

"I remember I ran into Hans Hanson at the Circus Room in the Hotel Wisconsin in Milwaukee in 1945," says Clarence Schroeder, a former B-26 bomber pilot who now is manufacturing manager for Universal Milking Machine.

"I was on leave. I'd known him slightly before. 'What are you going to do when you get out?' he wanted to know. 'Beats hell out of me,' I told him, and it did. I really didn't know. 'You come on out to Albert Lea and you'll like it.' Well, I did. And I have."

"I think the positive pride in town is infectious," says Penney's Mr. Asby.

"If you have a problem, this is a place where people still take the time to get together and solve it," declares M. J. Syverson, president of Fountain Industries. "Perhaps there is some of the feeling that you do have a little bit of responsibility for the people next door."

It has its problems

Albert Lea, of course, has its everyday problems like any town, including a rush-hour traffic jam near the packing plant and downtown. Housing is a problem, too, and many workers commute from outlying areas.

"Sure, more housing is something we need," says Harvey Paulson, president of the Building Trades Council. "That's one reason the unions are strongly backing a project we hope to get financed under FHA. We're sponsoring it, but I don't think anybody in town is against it."

With Wilson's packing plant and other industries present, there is a sizable union membership in Albert Lea.

"Well," laughs Mr. Paulson, "we've had our differences, the companies and the union. But we get along. Our people take pride in their work. They do the job."

Pride of workmanship is often mentioned as a key reason for a company selecting Albert Lea as a site.

"I'd have to say that productivity is much higher here than in some other areas in which we have had a plant," says Leonard A. Freeman, a member of the board of Jobs, Inc.,

SAVE OLD ROOFS



Your own maintenance men can use Ranco roof spray equipment **FREE** to waterproof weatherworn roofs permanently. The roof spray equipment pumps Ranco plastic sealant from drums on the ground and sprays it directly on your roof. The sealant forms a seamless, elastic shield that defies bitter cold and blistering heat; it stops leaks and restores pliability to old roof felt. Save contractor's costs, time, and handling; our Ranco Roofing Engineers provide jobsite instruction.

FREE! Write for **free 40-page Ranco Roofing & Maintenance Catalog** which gives complete details.

RANCO INDUSTRIAL PRODUCTS CORP.
13251 Union Avenue • Cleveland, Ohio 44120

"Cut towel-labor costs with Turn-Towls".



So reports Clarence Cagle, Superintendent, Indianapolis Speedway. "With Turn-Towl service we never run out of towels, have no cabinet failures."

Polished aluminum button-and-crank cabinets (loaned free for use with Mosinee Turn-Towls) dispense single, instant-absorbency towel at a time. Turn-Towl cabinets also hold more towels than competitor's. Cabinets *and* wastebaskets are filled less often, cutting custodial costs.

For free Turn-Towl samples, write Dept. 1098.

MOSINEE WASHROOM TOWELS

BAY WEST PAPER COMPANY
GREEN BAY, WIS. 54306

THE SECRET OF PROSPERITY *continued*

who is president of Streater Industries, a division of Litton Corp.

Mr. Freeman is one of the younger executive residents of Albert Lea and a comparative newcomer. He believes one reason problems are more easily solved there is that they are highly visible when they arise.

"The needs of the cities are so much greater," he says. "But in the cities you tend to ignore them. You really need there the same sort of participation by the business leaders, the whole community, that you have here.

"One of these days, communities like this are going to have to recognize they must take some of the poor people from the cities and assimilate them so they can get what you call the good things of life. They are going to have to assume some responsibility."

Modest goals, impressive figures

Retail sales today in Albert Lea are over $46 million, wholesale sales more than $71 million, value added by manufacture some $47.6 million, bank resources $41.9 million, building and loan resources, $63.2 million, assessed valuation of property $12.8 million. These are impressive statistics for a town of 20,000.

"Maybe it's because we've kept our goals modest—about 300 jobs a year—that the town has been able to keep and improve upon a well-balanced program in providing for education, recreation, utilities," says Mr. Myers. "Maybe our goals are too small. Maybe they should be 500 jobs a year."

Whatever the goals, the people of Albert Lea have a quarter-century pattern now of working together to solve them. For instance, the feeling the town should have higher education. Quietly, the money needed to build Lea College was raised, and next year the four-year liberal arts school will graduate its first class.

There is not a dime of federal or state money in the college, which eventually will occupy more than 800 acres on the edge of town. Right now, 400 of the 700 students use the old Hotel Albert as a dormitory. It has made a difference downtown.

"We're even getting used to long hair," laughs one businessman.

The college's presence may spur an attempt to lure more sophisticated industry to Albert Lea. The supply of jobs for college graduates is limited.

Keeping people in Albert Lea is one of the big reasons for its push. It's why a million-plus bond issue for vocational education recently was approved by a 4-1 vote.

"We need the vocational education to upgrade training skills," says Streater's Mr. Freeman. Labor leader Paulson agrees. "It's going to be a real big thing for our apprentice programs," he says.

When the Albert Lea Plan was published in 1943, it was the first attempt at the methodology of a city identifying a need. In the crisis facing cities today, there is still this need to identify problems, to get a benchmark from which to begin to solve them.

The success in Albert Lea that will be commemorated Oct. 15 seems to be summed up by Mr. Myers.

"Why, you just work together as hard as you can," he says. **END**

Send for FREE catalog of Calculators, Typewriters, Cash Registers, Adding Machines

Name

Company

Street

City

State Zip

To order . . . or get more details
PHONE COLLECT 212-784-7790
Every Machine we sell is reconditioned and fully guaranteed for ONE YEAR.

AAA ADDING MACHINE COMPANY
26-09 Jackson Avenue,
LONG ISLAND CITY, N.Y. 11101

VICTOR Printing Calculator
Adds, Subtracts, Multiplies automatically
$199





How to sell your company policy.

Advertise your insurance here. Our readers, you and the rest, are men with the affluence to buy personal insurance and the influence to buy group insurance for their companies. In fact, according to a recent survey, Nation's Business ranks first among all magazines in personal life insurance coverage of $50,000 or more. And second in personal medical insurance coverage (95%). In short, our policy-making audience is the policy-buying public. So, to insure your insurance sales, advertise here.—Nation's Business.



BUDDING REVOLT IN CONGRESS?

Mood is growing to examine present laws, curb White House writing of legislation

When President Lyndon B. Johnson's proposal to extend the foreign food aid program was before the House Agriculture Committee in 1966, an Agriculture Department official complained bitterly of what he considered gross independence by Committee Chairman Harold Cooley:

"The man doesn't want to name it what the President does!"

The President wanted the venerable Food for Peace Act renamed Food for Freedom.

The fact that the new LBJ tag never stuck was one of the first signs that the President's once invincible clout with Congress was waning.

Now a NATION'S BUSINESS survey of Congress shows there are strong indications members feel the time has come to end an era of Executive branch dominance of government that goes back to Franklin Roosevelt's New Deal.

There seems to be overwhelming sentiment among members that the initiative for writing legislation has shifted too much from the Legislative to the Executive branch in the past generation or more.

This sentiment could portend resistance to President Nixon's legislative programs.

There is even stronger feeling that some federal agencies have legislated in their decrees and decisions. The biggest outcry is against the National Labor Relations Board, the Federal Trade Commission, Federal Communications Commission and agencies within Health, Education and Welfare.

What effect the gradual loss of legislative prerogative has had on the process of government is hard for most of the 144 members who responded to the survey to define. Many feel it has added to the cost of government and centralized too much power. To most, the greatest loss is movement of government away from the people and the possible weakening of democracy.

The Constitution says the President shall "from time to time give the Congress information on the state of the Union and recommend to their consideration such measures as he shall judge necessary and expedient."

But a great bloc in Congress feels the Executive branch has gone too far with the practice of writing lengthy, detailed legislative bills it wants considered.

"The major bills are sent to the Hill from the White House," says Rep. John H. Kyl of Iowa. "Bills which members want introduced are normally not considered until a 'favorable report' is submitted by the Administration."

The process has "developed over rather a long period of time," declares Rep. Howard W. Robison of New York's Thirty-third District. "It was so true that in the Eighty-ninth Congress then-President Johnson rightfully called it 'my Congress.'

"I suppose a large part of the reason relates to the complexities of both our problems and the solutions that have been offered for them."

Only 22 of those responding believed firmly that legislative initiative had not shifted too much to the Executive branch.

New with the New Deal

There is near unanimity that the shift of historic governmental power started with President Roosevelt, first elected in the '30's when the country was facing economic chaos. But there are historians who point to Woodrow Wilson as the first President who really sensed the inherent power of the Executive.

It was Roosevelt, however, who started sending Congress bills already written, spelling out the broad changes he proposed to make to end the Depression, using the powers of the Presidency to shape a change in the manner of government as none before him had.

For most of the 37 years since Roosevelt's first election, a Democrat has been President, generally with a lopsided Congressional margin for his party.

The practice started by Roosevelt of backing his policy proposals for the country with bills prepared by experts within the departments and agencies that would administer them was continued under Presidents Truman, Kennedy, Johnson, and to a lesser extent under Republican Dwight Eisenhower. There are no signs that President Nixon intends to do differently.

It is this practice whereby com-

WILBUR MARTIN, *author of this article, is Managing Editor of* NATION'S BUSINESS.

plete 30- and 40-page bills are prepared with little or no consultation with Congress that is at the heart of the controversy over the shifting of initiation of legislation to the Executive branch.

Thousands of bills are prepared and introduced in Congress by individual members and committees each session, but by and large, the substantive legislation submitted by any President is the core of its work.

This does not mean there has been a reluctance by Congress to initiate and pass major legislation on its own. It has. How much of this has been done has depended to a great degree on the stature of the Congressman sponsoring the bill; the political strength of the incumbent President with his party members in Congress; the numerical majority of the dominant party in Congress; the basic political philosophy of members, and the mood of the nation on a given subject.

Partly because of the combination of "strong" Presidents and equally strong same party majorities in Congress, it has become an accepted fact that Congress generally dawdles each session until the President makes his legislative proposals.

"The Executive has the responsibility of proposing legislation," says John Sparkman, chairman of the Senate Banking and Currency Committee, in disagreeing with many of his colleagues that there has been erosion of Congressional prerogatives. "However, shaping it up into its final form is the job of Congress and Congress does it well."

"This is a very complicated subject," declares Rep. Carl Albert of Oklahoma, veteran majority leader of the House. He does not believe Congress has lost any of its initiative because of this very complexity.

"In some cases, Congress takes the initiative and in others, the Executive. Both branches are usually involved at all stages."

Rep. Morris Udall, an Arizona Democrat who is among those who point to Congress itself as a major culprit in a shift to Executive power, comments that it once "was considered an affront for the Executive to send proposed legislaton to Congress. This was wrong in my judgment, but we have gone to the other extreme in too many situations, with the Congress refusing to act until we receive an Executive recommendation."

"My complaint," says Rep. Benjamin S. Rosenthal, a Democrat from New York City, "is that the Executive branch not only has the ball most of the time, but owns the ball, the field and the uniforms."

Making the headlines

Rep. W. E. (Bill) Brock of Tennessee has another perspective:

"A great deal of creative work is done within the Congress, both individually and collectively. However, such ideas receive scant attention from the press unless adopted by the Administration. This makes it extremely difficult to see a new program through to fruition —and label it as one of legislative initiative."

Chairman George Mahon of the House Appropriations Committee told NATION'S BUSINESS: "Some shifting in initiative has been inevitable and should not be unduly disturbing. Congress does not now, and never has, to a marked degree, just rubber-stamped legislative proposals of the Executive branch. It modifies the proposals submitted and places its own brand upon them."

Administration proposals certainly do get the headlines. A Chief Executive's personal popularity with the electorate is one of his chief aids in passing legislation.

While Roosevelt and his architects of his New Deal created dozens of new programs and agencies and originated the practice of sending up whole bills, a political protégé, Lyndon B. Johnson, refined this to an art.

In his heyday as President, the bills not only came up to Capitol Hill already written, but there were frequent squabbles and squawks from Congressional liaison men if so much as a comma were changed. With the bills often came prepared statements of praise for a measure which the leadership would pass out to willing members for insertion into the Congressional Record.

It was only after a deluge of Administration bills had swirled through Congress, many with casual debate, that Congress became balky and cried "enough." It began to tinker with the Administration's measures and even ripped some asunder.

Here, however, it was a chain of circumstances: an escalating war in Viet Nam, racial rioting in more than 100 cities, wide social unrest, spiraling inflation that finally brought a change of mood for both country and Congress.

"Even now with a different situation—Republican President and Democratic Congress—there is still evidence that the Congress will drag its feet until the new President first proposes, so that Congress can dispose," declares Rep. Robert H. Michel of Illinois' Eighteenth District.

Others, though, see this situation as the springboard for Congress' strong reassertion of its role in initiating major legislation and in reviewing past legislation to see just how effective it is or has been.



"Congress is very much on top of the heap," claims Republican Senate Leader Everett M. Dirksen, who believes the framing of bills by the Budget Bureau is more of a help to Congress than hindrance.

"Now that one party controls the Administration and another party controls Congress and its committee structure, I expect to see more rivalry between Congress and the White House," says Republican Sen. Richard Schweiker of Pennsylvania. "Naturally the Democrats in Congress will want to assert their overseeing function, and probably they will be taking more initiative in legislation than they did when their own party held the White House."

Why a continued escalation of Executive branch power? The answers are varied.

"It has come about because of economic crises, world tensions, war, and by expanded federal re-

sponsibility which places such a burden on Congress that it couldn't fully fulfill its Constitutional responsibility," declares Rep. Thomas M. Pelly of Washington.

Rep. Emanuel Celler of New York, chairman of the Judiciary Committee and senior member of the House of Representatives, can't agree a shift has taken place.

"I think the proportion has remained fairly much the same over the years," he says, adding that perhaps there was an "emphasis" on the Administration in the Johnson years. "The Executive communications suggest measures of Administration policy. As chairman of the House Judiciary Committee, I embraced some of these suggestions. Others I rejected."

Chairman Mahon says, "Undeniably, Congress still holds its powers, free and unfettered." And if it has delegated more "flexibility" to the Executive, he feels, "this delegation—to some extent unavoidable—goes hand in hand with the vast size and complexity of government in modern society."



The House Democratic Leader, Carl Albert, sees both the Congress and Executive branch as sharing in all stages of the process of initiating and passing legislation.

"If the Legislative branch were to attempt to assume too much of the role of initiator of legislation, the overhead cost to the national government would soar," Rep. Mahon declares. "Capitol Hill itself would shift and sag under the weight of its huge bureaucracy of technicians, specialists, academicians. And how much more effectiveness would be gained? The final product . . . would still have to be subjected to the trials of scrutiny by individual legislators. Representatives and Senators, after all, are invested by the Constitution with the responsibility for making the decision."

Harbingers of change

Sen. Sam J. Ervin Jr. of North Carolina is chairman of the Senate subcommittee on separation of powers which is studying the powers of the three branches of government and the manner in which this power has been exercised. He told NATION'S BUSINESS:

"There seems to be a greater awareness that Congress' role in public affairs has atrophied in recent years.

"Some willingness to reassert traditional authority and leadership has appeared.

"For example, last year there were two major Senate debates on the Supreme Court and its assumption of a role as 'superlegislature' through constitutional adjudication.

"The oversight study [by Sen. Ervin's subcommittee] into the National Labor Relations Board drew widespread interest, especially since it was perhaps the first general survey of the agency in some two decades."

Other ranking Congressmen cite requirements of a $6 billion cut in Presidential spending before passing the 10 per cent surtax as prime proof of budding Congressional independence.

And hearings on tax reform were started by the House's Ways and Means Committee far in advance of any Administration move in this area.

Everett M. Dirksen of Illinois, Senate minority leader, and two other senior G. O. P. Senators, Roman Hruska of Nebraska and Jacob Javits of New York, see no loss of legislative initiative.

"Congress has not abandoned its legislative prerogative and is very much on top of the heap," says Sen. Dirksen, citing 18,000 to 20,000 bills drawn and introduced by members in every session. The fact that bills are framed by the Budget Bureau and other agencies doesn't detract from Congress' lawmaking role, he says.

"If Congress does not take affirmative action, legislation initiated by the Executive branch does not become law," Sen. Hruska declares.



"This is a time for review of existing programs . . . and eliminating those that are not working," according to Sen. Karl Mundt of South Dakota.

Congress creates as well as adopts or refines Executive suggestions, Sen. Javits says, and "given the realities of our society and the necessities for governing it, I believe the procedures which we utilize in originating and developing laws are good ones and the balance is reasonable."

However, some members, especially younger ones, feel keenly there has been a downgrading of Congressional prestige.

In committee or floor debate, they say, they constantly hear that the Administration doesn't want this amendment, or that the Administration won't take that amendment.

One freshman Republican House member, Rep. John N. (Happy) Camp of Oklahoma's Sixth District, approves of this.

"Legislative proposals are now being written by the people who administer the programs," he says. "They have a firsthand knowledge of what is being done in the programs and what we should be doing. This system is not bad until we in Congress no longer take the time seriously to study each and every proposal made and make it stand on its own."

Four questions

NATION'S BUSINESS asked the

members of Congress the following questions:

- Has the initiative for writing legislation shifted too much to the Executive branch?
- Is there a mood now in Congress to assert itself more in the legislative initiative and oversight process?
- Have some federal agencies, inadvertently or not, legislated in their decrees and decisions?
- What effect has any loss of legislative prerogatives had on the process of government?

Statistically, "Yes" was the overwhelming response to the first three questions.

In rebuttal to one point, spokesmen for the independent agencies stoutly deny they have invaded the Congressional legislative sphere. They complain mildly that too often Congress' intent is cloudy and that it tosses them a broad framework with only vague directions about filling in details.

Sen. George McGovern, the South Dakota Democrat, feels there is truth to this, saying, "Federal agencies have, in some instances, gone beyond the intent of Congress but frequently this is caused by laws which are too vague." Sen. Claiborne Pell of Rhode Island generally agrees.

This view is in sharp contrast to that expressed by most of the Representatives and Senators, including those high in leadership and seniority on both sides of the aisles. The preponderant thinking is that agencies have far exceeded the intent of Congress in executing decisions, regulations, guidelines and decrees.

"There is no doubt about this," says Rep. John B. Anderson of Illinois, chairman of the House Republican Conference. "The National Labor Relations Board is a good example. A member of the NLRB once gave an address in which he stated: 'In my view the Board is unquestionably a policy-making tribunal.'"

Majority Leader Albert points to recent regulations in the firearms control bill as going "far beyond the statutes."

Rep. Otis G. Pike of New York cites the Defense Department decision placing public buildings "off limits" if they in effect practice segregation. "I happen to think that the decision has been right," he declares, "but I also believe it is legislation. By the same token, the Executive branch sometimes uses the need for legislation as an excuse not to do things which it already has the power to do.

"As an example, the draft law is merely an authorization. There is no requirement that the Executive branch draft anyone. They could put in a 'voluntary' army at any time it would work."

House Agriculture Committee Chairman W. R. Poage of Texas says "probably all" agencies, not just a few, invade the Legislative sphere.



Some initiative shifting is inevitable, says Appropriations Committee head George Mahon. He adds this is not unduly disturbing because "Congress is no rubber stamp" for the Executive.

Rep. Jerome R. Waldie of California suggests such agency action is not done "inadvertently."

Rep. George A. Goodling of Pennsylvania points to the Federal Communications Commission's proposed rule on banning cigaret advertising as a paramount example of how a government agency can legislate.

"We have developed an entire class of 'executive legislation' consisting of formal rules, regulations, guidelines and orders which have the force of public law," says Sen. Ervin. "Congress may pass a hundred public laws each session, but the meat and substance of the public law comes from the Executive departments and offices."

An unending argument

The debate over the roles of Congress and the Executive branch is probably as old as the nation itself. The Constitution set up a government of three parts: Executive, Legislative, Judicial.

How much power each has, its exclusive sphere, its limitations has been a never-ending argument.

Historian Arthur Schlesinger Jr., who served both Presidents Kennedy and Johnson, believes there is a general rule that politicians approve the concentration of power at just about the level they themselves are able to attain.

"If they are denied the Presidency," he has said, "they endorse the Congress; if they are denied both, they endorse the state governments, and so on down the line."

Dr. Alfred de Grazia, a professor of social theory in government at New York University, debated Dr. Schlesinger on the role of the Congress and the Presidency in modern times at an American Enterprise Institute seminar last year and contended the President usually gets credit for the work Congress does.

"Congress is still able to legislate and do so very well, at least as well as the Presidency," he declared. "It can do many things, especially if it picks itself up from the Byzantine slave posture that the press, the professors and the parties have induced it to take and regards itself, quite properly, as the most modern and improvable institution of American government."

For many members who responded to the NATION'S BUSINESS survey, the only way Congress will ever do this is to modernize itself. Both Rep. John Rhodes of Arizona, chairman of the House Republican Policy Committee, and Rep. Brock Adams, a Democrat from Washington, make a strong point on this.

"The Congress has not modernized to provide staff and the research necessary to compete with the Executive department in the preparation of detailed legislation," Rep. Adams contends. "This has resulted in the Executive department sending a flow of proposed legislation to the Congress, with the Congress then disposing of this by amending or rejecting it. Neither individual Congressmen nor committees have enough staff to do more than review legislation within the limited field in which they have expertise."

"The Congress' eyes are focused about two yards ahead of its feet instead of on the horizon," observes Rep. Rhodes. "It lacks research and 'think' facilities which would allow it to plan ahead."

To others, such as New Jersey's Rep. William T. Cahill, it is most important that Congressional committees be strengthened and revitalized.

The electorate gets a share of the blame, too, some members saying that when the voters give one party clear domination of Congress and also control of the White House, legislative initiative is bound to suffer.

As for a mood for change, the majority agree they sense one. Rep. Richard L. Ottinger of New York's Twenty-fifth District is one who believes such a feeling is "no more than casual. All Congressmen will say yes, but nothing will be done."

Sen. Karl E. Mundt, a Republican from South Dakota, sums up for those who believe differently. He sees it particularly "in the oversight, or review, process. This is a time of examination of existing programs, consolidation of those that are now working and changing or elimination of those that are not."

At Executive agencies, there is grumbling that their so-called independence is more fanciful than fact and that their tune is pretty much called by the White House.

Commissioner Everette MacIntyre of the Federal Trade Commission has addressed himself to this proposition and cites the Budget and Accounting Act of 1921 as a housekeeping measure in intent when passed by Congress which has been used by the White House to put agencies under its thumb.

All agencies must submit appropriation proposals for Congress through the Budget Bureau and it is here, many complain, they are reviewed against priorities and policies established by the President, giving the White House effective control over operation.

Remedies vary

In their responses to NATION'S BUSINESS, the members of Congress express divergent views, sense differing moods, suggest varied remedies.

The answers reflect a keen sense of feeling that government must be viable and responsible to the people.

Rep. Thaddeus J. Dulski of New York, Chairman of the House Post Office and Civil Service Committee, suggests there is "ample room" for both Congress and the Executive to initiate legislation.

Others see in the present system of committees the checks and balances that are needed between Legislative and Executive.

"There have been areas where the Congress has not done as well lately in reviewing as it has in others," says Rep. Richard D. McCarthy of New York, "defense and foreign policy being foremost in mind. But I think this is being corrected."

It is in the area of "effect" that many members feel any loss of legislative balance is most important.

Sen. Harry F. Byrd Jr. of Virginia sees this loss as adding to the monetary cost of government and Rep. Jamie L. Whitten of Mississippi feels, "The Congress is the people branch. As the other departments of government take over its powers, with or without its consent, the people have lost their rights to representation set up by the Constitution within that branch of government."

The troubling thing for a score of members is a feeling the breakdown of Legislative-Executive balance is eroding the democratic process. "In that sense," says Rep. Clement J. Zablocki of Wisconsin, "it means less response to the desires and needs of the people."

Rep. William Jennings Bryan Dorn of South Carolina feels it results in Executive "empire building" and others suggest, perhaps, that this is part of the seemingly growing resentment by people to "impersonal" government.

In reflecting on the argument over Congressional vs. Executive power, Rep. William R. Anderson of Tennessee muses:

"There has never been a mood of submissiveness in Congress, though it has occasionally and temporarily been dazzled by the volume, depth and scope of legislative proposals from the White House. Cliché that it is, the success of the combination lies in the creative tension between the two, the celebrated checks and balances."

And Rep. Charlotte Reid of Illinois asks: "To what extent does Congress maintain its role as a representative body, carrying out the wishes of the people, when it delegates authority to officials who are not directly responsible to the people? Is it necessary to delegate such authority? How can Congress assure that the officials to whom it is given will be responsive to the needs of the people?

"These, it seems to me, are the crucial questions." **END**

Manufacturers: Is one of these business problems bugging you?

☐ Financing
☐ High taxes
☐ Labor
☐ No room to expand
☐ Overage plant
☐ Other

Since you occupied your plant, things have changed. Financing is harder to get. The local tax picture has altered. The labor supply is diminishing or changing in quality. You're bursting at the seams.

If you have any of these problems, or they might be looming in the near future, now's the time to act. Don't wait until your problem gets so acute that you're forced into a crash program to remedy it. The more honest, up-to-date information you can gather before you have to make a decision, the better.

And that's where we can help. Just phone the New York State Department of Commerce at (518) 474-3717. You'll be connected with an experienced, discreet plant-site specialist. Tell him what's bugging you, and, in strictest confidence, he'll work out with you solutions to your problems.

Or if you'd rather, complete the coupon and mail with your letterhead. But either way, do it now.

Commissioner
New York State Dept. of Commerce, Rm. 585
112 State Street, Albany, N. Y. 12207
Please send the following brochures:
☐ Industrial Location Services
☐ Plant Financing
☐ Tax Advantages for Business
☐ New York State Business Facts
☐ Money for Manpower
☐ International Commerce

NEW YORK STATE DEPARTMENT OF COMMERCE

LESSONS OF LEADERSHIP : PART XLIX

TURNING A COMPANY AROUND

A conversation with Clayton L. Rautbord of American Photocopy Equipment, where success began with a major economy drive

Whether Clayton L. Rautbord is flying his twin-engine jet, spearfishing or racing an oceangoing powerboat, he's never very far from a tape recorder.

To the big, quick-moving executive it's an ever present receptacle for ideas and decisions concerning his paramount interest, the American Photocopy Equipment Co., of which he's been president since 1963.

In the tremendously competitive, dynamic and burgeoning photocopy industry, APECO has moved up fast after plunging into one bleak year in 1966.

In that year, Mr. Rautbord says, "We had to decide whether to take down the 'hot dog sign' and just about go out of business, or try to maintain and keep intact a hard-hitting sales and marketing effort, and make cost-cutting moves in other directions."

The "hot dog sign" didn't come down. One reason was a million dollar cost reduction plan that Mr. Rautbord believes "gave us breathing room" to bounce back the following year with a profit, soaring sales and diversification into new fields.

Mr. Rautbord, trained as an efficency expert, still tries to do something every year that will improve his own efficiency.

While he seeks out "thrilling activities" for his leisure time, he believes in tested techniques in business.

In this conversation with a NATION'S BUSINESS editor, at the company's headquarters in Evanston, Ill., he tells why he believes "recognition" means more than money for members of a management staff, why it is important for any company to diversify (APECO has seven divisions) and about an executive's need for "corporate courage."

You began your career as an efficiency expert, didn't you?

That is correct. My studies in industrial administration led me to the idea that I was capable of organizing the manufacturing operation from the standpoint of costs and economy and management control, which is really what the efficiency expert is.

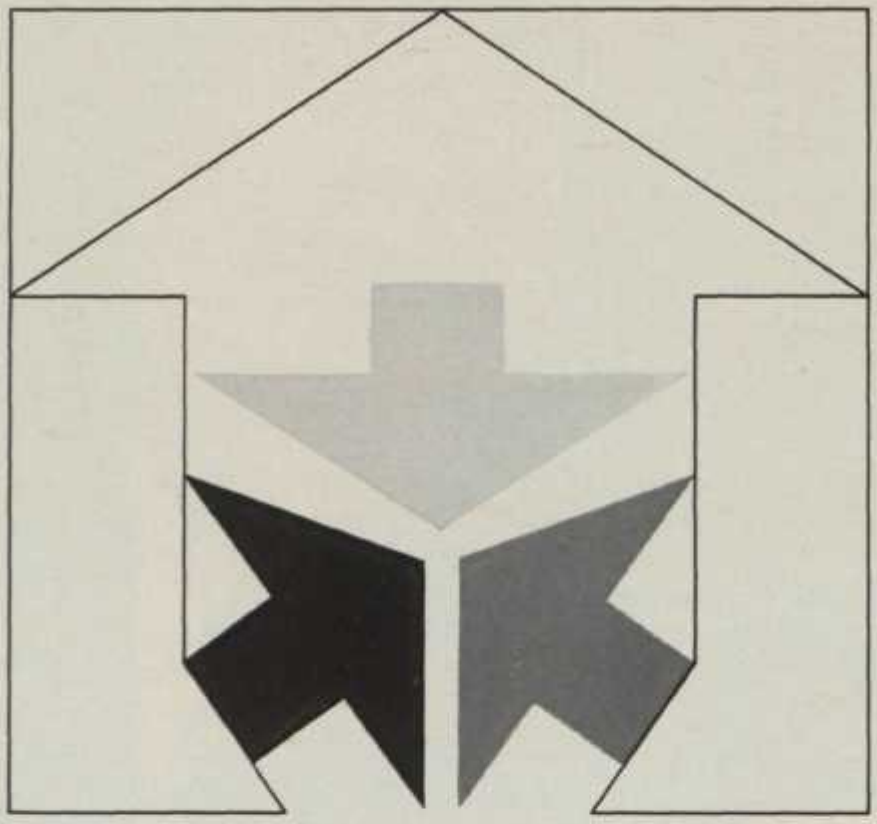
Before you joined APECO you operated three businesses of your own—right?

Yes, but let's say I was preparing to join APECO from the time I began to think about any type of work. This is a family business.

Your father was president before you.

Yes, he's chairman of the board and had been associated with the





level with yourself

You're a smart person, or you wouldn't be holding a position in association management.

But are you smart enough to admit that the "on-the-job training" you get every day is not enough? That it takes something more, these days, to move ahead in this profession—to gain bigger responsibility, earn more money? To handle the increasingly important job you have?

It does take something more, you know.

And *Institute* provides it.

There's nothing flimsy about the information you get in an Institute classroom. It's solid. Geared to your needs, as an organization leader. As timely as the problems piled on your desk right now.

You can prove it to yourself by browsing through the 1969 Catalog of the Institutes for Organization Management-Association Executive Development Program. Send for one today.

At every level—Principles of Management, Advanced Management Studies, the Academy for Organization Management, the Postgraduate Seminar—the Institute offers solid substance, usable ideas, valuable information.

Level with yourself. Admit that Institute offers something to you.
Enroll at the level of Institute education for which you qualify.
You'll be getting the something more your job needs these days.
On the level.

Institutes for Organization Management
Chamber of Commerce of the United States
1615 H Street, N.W., Washington, D.C. 20006

company for many years as an attorney. He took over its direction in 1945. We did not become a public stock company until 1957.

Why did you decide on a Chinese restaurant as one of your first businesses?

That wasn't my first business. My first was a chemical company which I started shortly after graduation from college and built into a $1 million company before selling. The Chinese restaurant was more of a sideline—a business hobby, if you will. I have always had the desire and ability to search out business vacuums. And at that time, where I lived in Highland Park, Ill., there wasn't a Chinese restaurant. The need was apparent. As a matter of fact, this was proved the day we opened, when so many customers came we had to have the police patrol the lines and parking.

So, where I feel the need for a business, I feel the urge to undertake the job of going into this business. It was true with the chemical company, 15 hotels that I have now as a chain—even an ice cream company I once owned. And, of course, one of the most intriguing and challenging businesses that I have ever been in, the photocopy business.

Your industry is highly competitive. What are the basic ingredients for success in it?

Well, our success has probably been achieved through three main factors: a successful product, a highly successful, energetic and dynamic marketing organization and financial controls to run this business within our means.

In other words, not to spend more than we take in.

As president of the company, you have seen some dark moments?

I would say the dark moments really started when a revolutionary dry copying process was introduced which we like to refer to as "Brand X." Although this was a threat to our very existence—and to every other company in the copying business at that time—it also spelled the beginning of real growth for our industry. In other words, it assured the continuous growth of the copying industry at the rate of from 15 to 25 per cent a year.

At what point did you decide you had to cut costs drastically?

This was at the height of competitive activity and when the pressure was most severe on our business. We cut back by $1 million.

What was the background for this decision?

We had introduced electrostatic copying machines in competition with "Brand X," and year after year we attempted to compete in this industry with a highly technical product line. This extreme competitive situation demanded we continue to increase and expand our marketing efforts.

We reached a point where our marketing program and product lines were on the verge of being successful—yet our costs were still too high in our marketing efforts of this initial electrostatic product line.

We had to make a decision. We had to go ahead and spend money in our marketing and research programs and continue to penetrate this market. In the face of this, we couldn't take down the "hot dog sign," so to speak. We had to maintain our marketing effort, and yet we had to cut costs somewhere.

We knew we would have to face up to our first loss situation in 1966.

So instead of cutting costs in our marketing areas, we decided to shave administrative and other related areas—areas that were not as critical as our marketing and manufacturing efforts.

We cut branch administration and accounting—and even had to eliminate some of our officers.

We had people who were not in direct supervision of other people. We were able to eliminate those jobs. At the same time, we were able to combine duties of other key executives. Eliminating some jobs, and combining many others, enabled us to realize substantial savings on salaries. We also were able to eliminate certain obsolete product lines.

Did this bring a turnaround from loss to profit?

This million dollar saving that we made in one year was one of the things that kept us breathing during a very critical time. We could see the handwriting on the wall; we could see our future turning around because a new copying machine we had developed and just introduced —the Super-Stat—gave every indication of being a key to success.

So what we had to do was more or less extend our life a year or two more to let this machine catch hold and let the number of our customers using this equipment increase.

Our operation is run something like the razor blade business. If we can build enough shavers, we can sell enough blades.

So the saving at that time was very critical. We had $5 million in bank debt and we had to develop cash to put into the business. We had to come up with this saving in order to extend our grace period, and it did.

The next year we earned a profit.

You said you believe financial control is a great management tool.

Yes, it's the most important one.

Did your cost reduction program give you any better financial control?

I think there were two separate phases of one economy and recovery program. Number one was to eliminate certain expenses. But also, financial controls were used to take existing assets and turn them into cash. We knew we were a great company, even though we were very hard pressed financially. We owed a lot of money, and the banks were asking for it.

We were determined to use the assets we had and convert them into cash and to help pay some of this debt. We found that two major areas were available to us: inventory and accounts receivable. About 40 per cent of our accounts receivable were over 90 days. We were able to cut that down to one third of its original size.

Your people say you talk about corporate courage as a trait of a good executive. Is this an example of corporate courage?

The million dollar economy program is probably an example. It took conviction that what we were doing was the right thing. We had to be sold on our product line and on our drastic cost-cutting methods.

For years we had pioneered a photocopy machine line based on our original machine—you know we were the first to introduce a photocopying machine in the United States—and we had based our future development on the success we had with our first one. That was a small, compact machine a salesman could carry under his arm, bring into each office and demonstrate.

We had hoped to follow through in the electronic age and again build a small machine we could carry in and demonstrate and sell at a low price. We were fooled here because we should have—like some other companies—gone toward larger,

more automated, highly sophisticated, electronic equipment. This was our technical error.

We have corrected this by developing our present machine, the Super-Stat. This machine is small, low-cost, but does have all the automation necessary to compete with any competitive equipment—including the large consoles.

You have been quoted as saying people are the heart of any business.

Yes. I would say one of the keys to our success is our management staff. I believe we have the strongest and most experienced management in our industry. And, their loyalty and devotion, of course, goes without saying. One of my principles in directing and leading people is giving people credit for their accomplishments. And I don't think enough can be said in this area.

This recognition is vital to any individual, more so than the amount of money they receive. More so than the security they receive from their jobs.

Your feeling is different from that of many executives, who think monetary compensation is most important to an employee.

Today, it's assumed you must pay an adequate salary. The way to obtain extra motivational value is through proper recognition given your people.

You feel some of your executives could make more money elsewhere, but not have as much recognition?

And not get the experience and have the authority and feel a sense of accomplishment. This sense of accomplishment, I think, is the number one factor in any individual's mind.

Now they may relate it to monetary reward in some instances. Some people, if they receive a certain salary, feel a certain sense of accomplishment. But actually, it goes back to the feeling of accomplishment they have received from their work.

Any time I interview a person for a responsible leadership job, my key question, usually, is: "What do you use for the motivation of your people? How do you encourage them to do their best?"

If a man says, "Give them high salaries," I usually don't hire that individual because the qualities of motivation and leadership are activated by more than just money.

In this vein, what has given you your greatest sense of accomplishment?

Well, it isn't high salary, because I certainly am not one of the highest paid executives in this industry. I feel my satisfaction has come from being a pioneer in one of the fastest growing industries in the world today.

What has caused the growth of the copying industry?

This industry actually had its birth with the proliferation of paper work, and resultant need to reproduce these materials for defense contracts and government sponsored programs during World War II.

And what triggered your company's postwar expansion?

Well, the realization that we had an existing market that nobody ever really realized was there. A growing need in business for copying. The growth of the copying industry came about because of our ability to prove to businessmen how to ease the flow of office work and effect substantial dollar savings by using a copying machine instead of hand copying, having to retype and proofread. The dollars saved are definitely measurable.

Where are the new horizons for your industry?

As business grows, we will, of course, grow in the use of copying techniques and in expanding efficiency as far as paper work goes. But in addition, there will be added uses in microfilm retrieval, computer print-out, and even in communication methods that haven't before been fully utilized.

Why have you branched out by acquisition into diverse fields?

We feel that to establish our security and to take full advantage of our abilities, it is important for us to diversify.

Our former management believed diversification meant building square photocopying machines instead of round photocopying machines.

I feel it is important for any company, any business, any industry to diversify. We have the opportunity to use our "success know-how"—success learned under the most trying conditions against extreme competition and under extremely difficult business conditions—to advantage in many other fields.

We survived in what has to be one of the most competitive businesses in the world. And, in so doing we developed a management technique we feel can be applied to other businesses and to other areas of commerce. It's certainly provided the impetus for a complete turnabout of our company.

Last year was a year of exceptional achievement for us. Sales exceeded $50 million for the first time, up 41 per cent. Earnings per share were more than double last year, increasing 147 per cent.

Stepped-up marketing efforts on a world-wide basis resulted in the largest number of machine placements and the greatest consumption of copy paper in our corporate history. Our diversification program took us into the leisure time field of boating with the acquisition of two Florida-based boat-building companies. (A third was acquired in April.)

I see this leisure time industry as one of the most important and dynamic growth fields.

People, thanks to technology, are gaining increased amounts of leisure which will allow them to have more opportunity to pursue their interests, not only in recreation, but for learning as well.

We are interested in education as

Low price time clock helps small companies meet strict requirements of wage hour law



LATHEM TIME RECORDER COMPANY
174 Selig Dr., S.W., Atlanta, Ga. 30336
Please send me data sheets, prices, and time card samples.
Name_____
Company_____
Address_____

Lathem
TIME RECORDERS
PROGRAM TIMERS
TIME STAMPS
WATCHMAN CLOCKS

illustrated by our entry into the videotape recording field. Our entry into boating certainly attests to our interest in the leisure area.

Business is being urged to involve itself more in solving social problems such as training the hard core unemployed. Is videotape a business technique that could be used in this area?

Yes, it is. It's an excellent training and educational tool. It would be a very good method for training hard core unemployed and I think in some areas it is being used for just that purpose.

What is your feeling on business involvement in social problem solving?

I think it is a responsibility of business to undertake the task of helping government solve some of its social and economic problems. Not only is it a responsibility of business to help society, but it is the need of business to help train people who are able to undertake some of the tasks of industry and to help in its growth.

Do you think businessmen should be involved in politics?

Yes. This is a responsibility of every public-spirited citizen, whether they are businessmen or whether they are the skilled or unskilled labor force, to be involved in insuring better government in whatever way they can.

How do you make decisions?

Well, I try to make decisions on the basis of the information I have at hand. I feel one of my responsibilities as the leader of this company is to be able to be there on the spot and make a decision. And it doesn't necessarily have to be a popular decision. One of the shortcomings of larger companies is that nobody is around to make a decision. Too much time elapses before a decision can be made.

What is the hardest decision you ever made?

That is a good question. I'd like to rephrase it to say, "the most important decision I ever had to make." That goes back to about three years ago, when one of our engineers came up with the idea not only to give us a small low-cost copying machine—we were working on another one at that time—but one that also was capable of copying three-dimensional objects. That is the machine which we now are selling more of than any model we ever have sold before. That decision entailed junking our whole research program. With this decision came the resignation of two of our top research personnel.

You race power boats, fly jets, scuba dive, and always seem to be on the go. Do you do anything else to relax?

I think my first love is golf—which I find very relaxing. I also enjoy skiing with my five children—it's a wonderful family activity.

You mentioned you try to do something every year to improve your efficiency.

Yes, I do. And I expect my associates to do the same thing. Last year, for instance, I gave up dictating to secretaries and went to the use of the tape recording. I continually have a tape recorder at my side and I am able to use this equipment regardless of where I am or what activity I am undertaking.

You must get a kick out of exploring new fields.

Well, in looking back at some of them, I think one can say I enjoy thrilling activities. One of the most enjoyable stories I have ever read was the ascent to the top of Mt. Everest. This story developed within me the interest of exploring this mountain some day. Not necessarily by climbing, but perhaps by flying over it.

And I think adventure stories which explore the depths of the ocean and the height of the skies are most intriguing to me.

Do you think this same sense of adventure is needed in business?

Well, I think one should be more conventional in business, and what I try to do is restrict my sense of exploration to leisure time activity and try to use more time-proven and tested techniques in business, because here I am not only exploring with the use of my own funds, but with the funds of our investors and our stockholders. I would much prefer to be considered a conservative in business. **END**

REPRINTS *of "Lessons of Leadership: Part XLIX—Turning a Company Around" may be obtained from Nation's Business, 1615 H St. N. W., Washington, D. C. 20006. Price: 1 to 49 copies, 35 cents each; 50 to 99, 30 cents each; 100 to 999, 17 cents each; 1,000 or more, 14 cents each. Please enclose remittance with order.*



Night life. Lynda Gloria at Le Château Champlain, Montreal.

Convention, anybody?

A convention isn't all spangles and seltzer, you know. The body corporate needs space for grouping in a body. And more space for getting away from bodies. And all kinds of audio-visual paraphernalia to help you take the big view of things.

Maybe that's why more conventions convene at Canadian Pacific hotels (all 11 of them, coast to coast) than at any other hotels in Canada. Of course, it may not be just that we have more of the conventional trappings to give you. It just may be the unconventional way we go about it.

Convention, anybody? Contact Bill Gray, National Sales Manager, Royal York Hotel, Toronto, Ontario.

CP Hotels



If you won't hire her, don't complain about supporting her.

She has a couple of kids, no husband, no job. She's as likely to be white as not. And has to depend on Welfare for a living.

American business has a crying need for her but probably can't hire her because chances are she doesn't know how to do anything. Or if she does, her children keep her from doing it.

Well, something has to be done.

And we think that something is Occupational Rehabilitation.

Through O.R. people could be trained. And while in training paid an incentive allowance rather than being taxed 100% by Welfare for any earnings as is true in many states.

We also believe there must be child care facilities for the mother who can't take care of her children and work at the same time.

Now, who's going to pay for all this?

We believe all should have a share. City, State and Federal governments alike. With a continuing flow of funds made available for research and improvement.

Of course, there are also those people who can't work.

Their help should also be shared. But based exclusively on local standards of living.

If you think the above programs are as workable as we do, write us.

For your own welfare. And the people on Welfare's welfare.

Chamber of Commerce of the United States

Washington, D.C. 20006

LISTEN TO WHAT YOU CAN'T HEAR

Some important things go without saying, and executives should know what they are



Vital image

Today's executive spends roughly 40 per cent of his work day just listening. The higher he rises in the management hierarchy, the greater that percentage is apt to be, thanks to more meetings, as well as to interviewing, counselling, exchanging of information and decision making.

To the manager, it is vital to listen as the effective salesman must listen—to determine what the "prospect" will buy.

The manager must "sell" his ideas to his superiors; he must persuade his subordinates; he must inform his associates. But in every case he will not be aware of what to sell, how best to persuade, and in what areas to inform, if he first does not listen to those around him.

He must not only listen, he must try to hear what is not said.

Take the case of Supervisor Galvin. Joe has just approached him to report:

"Well, Mr. Galvin, I finally locked up the Bahr Co. order. Boy, was it a mess! But you said it was an emergency job, and I saw to it that it went out today —right on the button. You know, I've been here every night this week and almost all last weekend to tie that darned thing up. Bahr's specifications are ridiculous, but the order is on its way, even though my wife may throw me out. And let me tell you, if I never see another job as tough as that, I'll be plenty happy. It really required blood, sweat and tears."

If Mr. Galvin should answer, "Great, Joe. Now let's get to work on the Sunnyvale order," he hasn't really been listening.

What was Joe really saying? We'll never be sure, but he was not simply saying the Bahr order was difficult. He probably was saying, "How about giving me a pat on the back, Mr. Galvin?" or "Why do you give me all the problem jobs?" or "I hate to work nights."

The sensitive, effective manager will hear what the other fellow often is inhibited from stating directly, due to ego, emotions, position held, or what have you.

Let's tune in on Supervisor Jackson's interview with extremely conscientious Jim Cantonelli, who has just been offered a promotion to section chief.

"I sure appreciate the offer, boss, but I don't think I can handle it. You know I only been in the States seven years, I murder the language, I don't write well. What am I goin' to do about the weekly reports? And I'm not too hot on the reading angle; wow, all those instructions that come down. And the guys laugh now when I try to talk; how can I hold meetings? And you know yourself that all I know about switching systems, I picked up around here."

If Supervisor Jackson continues to press, and points out the increased salary, new title, and other ego satisfying factors, Cantonelli may accept. This, however, may place a hard-working production man in a position over his head and result in failure for him, decreased morale in the department, and financial loss to the firm.

What should Jackson have perceived from Cantonelli's reaction to the offer? He probably should have heard him saying, "I'm not ready for the job, I'm

DR. NORMAN B. SIGBAND, *author of this article, is a professor of business communications at the University of Southern California's Graduate School of Business Administration. He has written articles about communication and has had books on the subject published by Harper and Row and Scott, Foresman.*



afraid to take it on, I don't think the men will be with me."

Obviously a supervisor can't back away from every worker who appears reluctant to accept promotion. Many such promotions work out very well. But when a manager hears a Cantonelli say what he said, that is the time to perceive correctly.

You have to concentrate

One basic barrier to effective listening is simply inability to concentrate, which causes facts and ideas to be lost.

Lack of concentration may have several roots. Most of us speak at about 140 words per minute, but we can comprehend at a much faster rate. This permits us to take mental excursions into other areas as we listen.

For a few seconds, the listener thinks about that faulty car transmission; then he returns to the speaker's topic; then he is off again. This time he wonders about the football game: Will it be worth $5.50 per ticket? And again back to the speaker. But what about vacation? Two weeks in September should be O.K. And back to the speaker.

But now the speaker is too far ahead; the listener has missed something vital on one of his excursions. Besides, the topic seems very complex. Oh, well, not concentrating is easier than trying to concentrate. And another listener now is just hearing.

Opinions and prejudices can also cause poor concentration. When a statement the listener doesn't like is made, he may figuratively reach up into his brain and turn the communicator off. Or he may concentrate on a statement with which he disagrees, allowing other statements to go unheard.

The style of the speaker's clothes, the look on his face, his posture, his accent, the color of his skin, his mannerisms, or past experiences with him may also cause the listener to react emotionally and tune him out.

Try to put aside your preconceived ideas or prejudices. The man who is speaking may have a new concept that is worth putting into practice.

And if you want to concentrate, don't try to do something unrelated to the discussion while the man you wish to listen to is talking.

Also, by the way, make him realize you are concentrating. Look directly at him, and sit up straight. Don't protest that you listen best when you are relaxed, hands clasped behind your head and feet propped on the desk. This may be true, but the speaker may see lack of interest and perhaps discourtesy on your part. The result would be a barrier to clear communication.

Listening for facts

The good listener makes a definite attempt to listen to every statement for facts and for feelings.

In listening for facts, you should first attempt to perceive the theme or the thesis of the presentation. In a speech, this may be stated in the first few minutes. It probably will be noted in different words several times during the talk, and may well serve as a concluding statement.

The basic ideas should then be recognized. What are the four key points in the entire talk? The alert listener will be able to perceive them, even if the speaker doesn't label each specifically. Facts to support the ideas should be assimilated. But once the ideas are firmly fixed in your mind, they will help you recall specific facts.

If you listen analytically, you can recognize major ideas and separate them from minor ones. Of course this requires your full effort. Effective listening is hard work.

Sometimes, you find yourself listening to someone who hasn't organized his ideas too well. He seems to be going in circles. He repeats himself. He barely mentions a key fact. It's up to you to organize his presentation in your mind, as he talks.

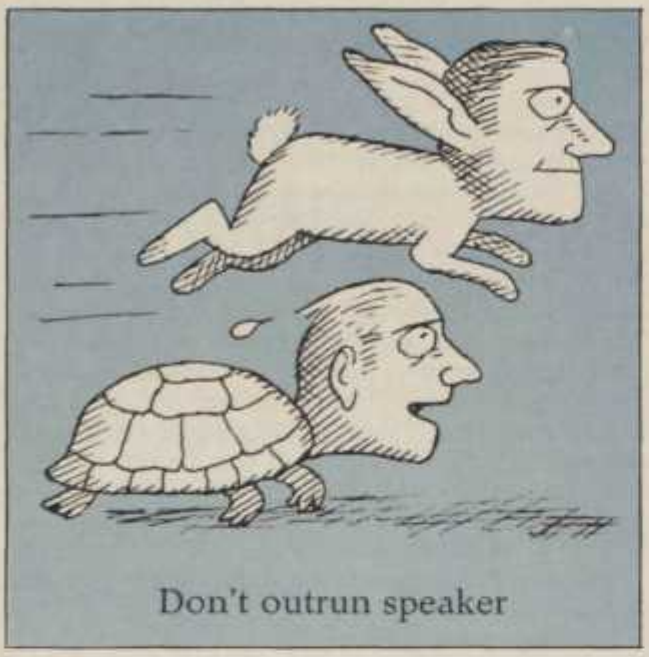
Taking notes during the talk will help you retain ideas and facts. But you should never become so absorbed in the task of taking notes that you lose the ideas being transmitted. And if the talk goes on for any length of time, the good listener occasionally will hastily review in his mind the ideas and facts which have already been cited.

All in all, to perceive the facts that are stated, you need to be attentive and analytical, and to develop an ability to be retentive.

Listening for feelings

Listening for feelings is more difficult.

Here you must try to perceive what is really behind a seemingly obvious statement. You must give, insofar



Don't outrun speaker

as you are able, the same connotations to words that the other fellow gives. You must also try to recognize his biases and his frame of reference. You must try to remember his salary level and his desires.

When a slow, easygoing man says, "We must get on this job right away," you interpret "right away" as "in a week or two." When an employee you know to be conscientious and slow to give praise calls another a "hard worker," your connotation probably will be very similar to his.

You must constantly "listen" to the other person's nonverbal communications. His inflections, his gestures, his finger tapping, the look in his eyes, and the changing lines in his brow.

If his words say, "Well, it really isn't very important to me anyway," but his posture is stiff, his knuckles white, his eyes hopeful and his forehead glistening with perspiration, you had better hear the nonverbal message. If you don't, communication will not be effective.

Here is a situation similar to one which may have occurred to you or one of your salesmen just yesterday. Mr. Big, President of the Acme Co., is very proud of the newly completed offices for his five immediate subordinates. They had been scattered in different sections of the plant; now they all will be on the same floor with him.

You are trying to sell him office furniture and you tell him you have an especially good buy for his company on five beautiful executive walnut desks. Mr. Big is unimpressed.

"They don't seem quite right," he says. "They're very modern and they look terribly short of drawer space. Of course they are beautiful, but they don't have file drawers. And holy smokes, why does our controller or purchasing head need so much surface area? Why, these desks must be twice as big as mine!"

Now, if you know Mr. Big at all, you should be able to tell what he is really saying.

There is no point in pressing him about how inexpensive, or beautiful or functional the five desks are. For what he is telling you is, "I don't want my subordinates to have bigger, more beautiful desks than mine. It hurts my ego."

Of course, he can't say that. Nevertheless, you must hear what he does not say and respond tactfully to it. If you don't—no sale.

The results

Effective listening on your part produces many salutary results.

First, there will be more effective listening on the other person's part. When he notes that you are sincerely and carefully listening, and not merely waiting for him to pause and inhale so you can jump in, he does not feel threatened. Thus, after he has had his complete say, he is ready to listen carefully to you.

Second, the speaker presents more information which may benefit you. Your careful listening usually will motivate him to cite as many facts as he can. Then you are in a better position to make correct decisions.

Third, your relationship with the speaker often is improved, and you understand him better. He has an opportunity to get facts, ideas and hostilities off his chest. And you may recognize that one man requires frequent praise, while another does not; that one responds favorably to counselling, while another resents it; that he is an extrovert, while she is an introvert.

Everyone wants understanding—with or without agreement—and there is no better way of giving it than through sensitive listening.

A fourth product of careful listening often will be unexpectedly easy solutions to problems. When the other person is permitted to speak in an unthreatening environment, and feels he has the listener's complete attention and respect, he may hear himself more clearly. As a result, solutions may come through to him or you more clearly.

All in all, effective listening, both to what is said and what isn't said, can bring major benefits to a businessman. Too often, the business manager says, "I don't have time to listen carefully." The only reply to that is, "You don't have time NOT to listen carefully." **END**

REPRINTS *of "Listen to What You Can't Hear" may be obtained from* NATION'S BUSINESS, *1615 H St. N. W., Washington, D. C. 20006. Price: 1 to 49 copies, 35 cents each; 50 to 99, 30 cents each; 100 to 999, 17 cents each; 1,000 or more, 14 cents each. Please enclose remittance with order.*

By Kenneth H. Militzer
Director–Economic Analysis,
American Telephone
and Telegraph Co.



this month's guest economist

SIGNS BUSINESSMEN SHOULD WATCH

Whether it has to do with the baseball season, the outcome of the next election, or next week's weather, Americans have a tremendous desire to know what's coming and how things will turn out. This desire becomes especially intense when the events involve a direct impact on a person's pocketbook, such as with the case of the economic outlook.

This has led to the development of a variety of economic forecasting techniques over the years. They range from informed judgments by economic experts all the way to large scale econometric models which simulate the workings of the economy through systems of mathematical equations.

There is a strong tendency for the publication of resulting forecasts to cluster at the end of the year. Turning points in business cycles, however, can come at any time and the businessman may well have to make some judgments about the trend of the economy.

The search for a single, reliable, comprehensive indicator is, therefore, a continuing one. One approach has been the grouping of several data series which are considered "leading indicators" into composite indexes. All of these, however, suffer from the same general problem. Although we can say we haven't had a recession if they haven't been declining, there have been times when they have declined without being followed by a recession. Equally serious is that even when these indicators do correctly forecast recession, there is no way of knowing in advance how soon it will occur.

What, then, is the individual businessman—who is not able to have his own staff of professional economists to help him—to do? There are several things.

First, he can follow the prominent economic forecasters. A good representative sample of these is carried in the magazines and newspapers businessmen see. These forecasters may not be right, and they may conflict with one another, but knowing what they are saying will let the businessman know what current problems are. Beyond this, many other indicators can help the businessman.

Here are eight of the better ones.

Gross national product: This is a measure of the total output of goods and services in the economy and is published quarterly. It has a strong growth trend, so one needs to know more than just that it has increased. Also, the most frequently quoted figure for GNP measures the economy in terms of current prices, so not all growth in it is real.

Industrial production: This is a valuable indicator because (1) the industrial sector is one of the most volatile in the economy, and (2) this indicator measures it in "real" terms—i.e., it is not affected by price inflation. Again, a 4 per cent increase per year normally would be a healthy rate.

Unemployment as a per cent of the labor force: Popularly called the unemployment rate, this is a "coincident" indicator. That is, it tends to match, rather than lead, turning points in the business cycle.

Consumer price index: This is generally regarded as the best indicator of price trends in our economy. Since this is not a perfect index (it is difficult to account for changes in quality in measuring complex products, for example), a rise of 1 per cent per year might be associated with price stability.

Retail sales: With consumers accounting for two thirds of the economy, the monthly trend in retail sales also is quite important. Here, again, however, more than one month's data is needed to establish a trend.

Monetary policy: It also is important to know what current monetary policy is, as this is one of the primary means used in attempts to slow or speed up economic growth. There is no single indicator of monetary policy but it is widely discussed in print at times when it is important.

Federal budget: Although it is not necessary to follow this indicator on a month-to-month basis, the importance of the federal government in our economy makes it important to know the status of the federal budget. A large deficit has a stimulative effect on the economy; a surplus has a restraining effect.

Profits: The level or trend of corporate profits also is important, in that it is a good indicator of whether business will be increasing or decreasing its contribution to economic growth in the near future.

Persons who want more complete data on these series than is in the media they normally see can get them by subscribing to the *Survey of Current Business*, published by the U. S. Department of Commerce; *Economic Indicators*, published by the Council of Economic Advisers, and the *Federal Reserve Bulletin*.

There are many more indicators of economic trends, of course, but one needs to be a full-time economist to follow all of them. In following these trends, moreover, there are many pitfalls of which one must be aware. For example:

Be careful of figures which compare the current level with a year ago. Such a gain can be impressive even after activity has been falling for several months. This is why most analysts use seasonally-adjusted data to follow month-to-month changes.

Don't be fooled by changes in one or two months' data. Most economic data is gathered by means of sampling and is subject to normal sampling errors. In addition, many series are first published on the basis of preliminary data and frequently are revised. Moreover, actual movements in most of these indicators are rather erratic. So, one needs to know the current trend rather than just the movement in the latest single month.

Don't be fooled by just one or two indicators. There are 36 leading indicators and 25 coincident indicators in the Office of Business Economics list. Only a preponderance of these moving in a similar direction for a number of months can be considered significant. Thus, even if you have one favorite indicator, don't put your trust in it exclusively.

Don't think that continued growth in the economy as a whole guarantees success in your particular firm or industry. The oft-cited buggy whip makers went down the drain during a period of vigorous growth generally. More to the point, more than 100,000 businesses have failed since our record-long expansion began back in 1961, nearly 10,000 of them in the boom year of 1968.

Conversely, don't assume declining conditions need affect your line of business or your company adversely. Over 400,000 new businesses were launched in the three recession years of 1954, 1957, and 1960, and many existing businesses posted gains in profits. **END**

REDS CLIMBING INTO UNIONS' BEDS





British labor has lost through retirement one of its most respected moderates, Lord Carron.



PHOTOS: BLACK STAR

Communist labor leader Jackie Dash led stevedores on a long strike which crippled the British pound and wrecked exports.

LONDON—These are not great days for Great Britain and the blame can largely be hung around labor's neck.

The pound sterling is low.

Imports pour in faster than exports go out. There is disenchantment with the Socialist Government and Prime Minister Harold Wilson is branded "liar" and "bumbling fool." British people spend money and seek fun as if tomorrow would never come. Businessmen themselves say management's lack of competitiveness and imagination, plus its reluctance to install new equipment, have hurt Britain.

But nothing hurts as much as costly strikes, niggling slowdowns, wildcat walkouts and union leaders who openly consider Marxism superior to private enterprise and communism better than democracy.

"The U. S. government worries about British strikes because they hurt us all," says one American official stationed in London. "They hit the pound and the dollar. American companies with operations over here are seriously hurt. But what gives us added concern is the fact these strikes are coming as British unions are swinging sharply to the extreme left."

Time after time in recent years when it appeared Britain was about to start her long comeback, left wing or outright communist union leaders wrecked money-making export drives.

One triple-headed attack involved dock workers, seamen and railway men.

Jackie Dash, an old-line communist, led dock workers on a series of walkouts in the ports of London and Liverpool in the autumn of 1967. This is now considered the final blow that brought on devaluation of the pound. More than $750 million in exports were tied up for months.

A walkout of seamen—led by two communists—seriously damaged the country's reputation with foreign buyers for delivering the goods.

Three different railway strikes and slowdowns in two years helped wreck hopes for economic revival. Hundreds of thousands of employees



Succeeding Lord Carron as president of engineering and foundry workers union is far leftist, Hugh Scanlon.



Secretaries who started "Back Britain" movement by giving half hour a day of work free get a letter from Prince Philip through their boss, Alan O'Hea of Colt Ventilation Ltd. Unions later wrecked drive.

REDS CLIMBING INTO UNIONS' BEDS *continued*

missed work. Several unions were involved. Two had seven communist members each on their councils.

After 24 separate strikes, four slowdowns, a half-day protest march, five embargoes on overtime and a refusal to speed up work with bonuses as an incentive, construction was halted on two huge London housing projects. A Royal Court of Enquiry found two communist labor leaders largely responsible.

Automobile plants owned by General Motors, Ford and Chrysler have been hit scores of times with wildcat strikes ordered by communist or extreme leftist shop stewards who seize every chance to exploit worker unhappiness. Several small strikes tied up lines of supplies and forced long shutdowns of entire plants employing thousands of workers.

Four British secretaries started a patriotic movement for everyone to work an extra 30 minutes a day without pay. The "I'm Backing Britain" plan was aimed at increasing exports. People blossomed out in "I'm Backing Britain" badges. Company after company encouraged it with extra export efforts of their own. Several unions agreed that the idea was great.

Then the 1.1 million-member Amalgamated Engineering and Foundry Workers Union squelched the drive. None of this working for nothing, the union said, not even for patriotic reasons. Four shop stewards who helped the "Back Britain" movement were tried in union court and forced to stop free work.

Their great sin had been to put their country before their union.

"Up at union headquarters," said another AEFWU shop steward, "they tend to believe there's no such thing as a happy factory where union cooperates with management."

Labor veers left

The AEFWU is one of the major unions changing course toward the far left. Lord Carron, a moderate, has retired as head of the union, and Hugh Scanlon, ex-communist who has not cast off his extremist views, has taken over the leadership. Another AEFWU leader, Reg Birch, follows the Mao Tse-tung line.

Mr. Scanlon recently defined his thinking: "My approach to trade unionism has always been that it can never be an end in itself, it must be a means to an end. That end is the establishment of socialism."

Messrs. Birch and Scanlon played leading roles this winter in a strike at British Ford which led to complete stoppage of the company's production. Ford thought it had a deal in which it was given some safety from wildcatism in return for wage boosts and other benefits. When word got out as to what union negotiators had agreed to, there was a wildcat strike which shortly became a formal one blessed by Mr. Scanlon's and another major union. Ford had to give up on its protection against wildcat walkouts.

Other American firms also have been burned by British labor disputes.

Roberts Co. of Sanford, N. C., for example, bought out a textile machinery plant in Stockport, England. But the subsidiary had to close. Problems arose with unions over use of a hot drink vending machine, length of the tea break, cake soap vs. powdered soap, use of new mechanical equipment, shifting of personnel from one plant to another and hiring of women.

The closing threw 620 people out of jobs and Britain lost about $6.5 million yearly in export sales. The company has increased its operations in Belgium, Italy and Spain.

After the plant closed several British publications printed articles showing the labor movement around the Stockport area was under communist domination.

Long-term planning difficult

In the United States, a labor contract is more likely to be honored by an American union. Labor contracts in the United States usually cover longer periods, thus giving the company time to plan years ahead. British companies are forced to resort to short-term planning because of fear of wildcat strikes, short-term contracts and fear the contract won't be renewed.

In Britain, many unions within a factory will bargain separately with management. This causes internal union conflict which in turn hurts business.

Almost all British union bargaining is national, with local agreements settling local issues. This system penalizes the best workers and best shops by hobbling them with agreements tailored to fit the poorest workers.

Few people, even here in Britain, are aware that by late this year, unless unions drastically alter course, communists or communist-backed leaders will fill about 12 places on the expanded, 35-seat, ruling general council of the Trades Union Congress.

The TUC is overlord for 169 unions and the main prop for the Wilson Government.

Furthermore, the communist group can rely on the support of another six or seven council members. This means British unions will be alarmingly close to control by Red forces.

Another three or four extremists are expected on the general council from Britain's largest union, the Transport and General Workers' Union. The TGWU constitution recently was altered to allow communists to hold union offices.

Prime Minister Wilson has taken somber notice of the problem posed

by communists in the unions. In the House of Commons he said, "The House will be aware that the Communist Party, unlike the major political parties, has at its disposal an efficient and disciplined industrial apparatus controlled from Communist Party headquarters.

"No major strike occurs anywhere in this country in any sector of industry in which the apparatus fails to concern itself."

Before he resigned from the Wilson Government over other problems, Ray Gunter, Minister of Labor, said, "The gravity of the present industrial situation is that defenses of trade unions seem to be down. Over some areas of industry their leadership both nationally and locally has lost control. Indeed, the official leadership is met with derision and contempt, and only too typical communistic tactics are employed to prevent them getting a hearing at meetings. There is a viciousness about some of the thugs most active in leading unofficial action that is alien to our traditions. . . .

"They (communists) now, unhappily for the well-being of the nation, have entered into an unholy alliance with elements of the Trotskyist Party. They aim to destroy our hopes of economic recovery, and thereby they hope to bring ruin to the Social Democratic movement."

The Labor Government has presented a White Paper to Parliament to tighten some government controls over unions. A Commission on Industrial Relations has already been formed as a result.

Fewer man-hours are lost through strikes, slowdowns and walkouts in Britain than in the United States. British strikes usually are shorter and localized. However, they do greater harm to Britain because they are often planned to cause maximum damage to key industries.

The communists who cause so many strikes number only 33,000 out of Britain's 55 million population. But communists are activists devoted to the destruction of Britain's system.

Most British union members are patriotic, sincere people who are simply out to get more money and a better life. They prefer peaceful means.

However, what they have done is allow the extreme left to take over leadership, and today communists cause damage out of proportion to their numbers in a country which can so ill afford it. **END**



The typewriter that multiplies.

It also adds and subtracts. Electronically. In milliseconds.

It's about the size of an ordinary office typewriter. Yet it's a full-fledged billing machine.

We call it 5005 COMPUTYPER* electronic billing/accounting system.

You program the Friden* 5005 with snap-on cartridges, not wired panels. That makes changing applications as easy as loading one of the new instant cameras. The program in each cartridge is prepared by us to solve one of your particular billing and accounting problems.

The 5005 performs all figure-work at electronic speeds. It automatically positions the document for every entry. And its stored program can be instantly modified by touching keyboard controls.

Optional accessories include a tape punch, a keyboard for numeric entry, and a front feed carriage.

Your girl can learn to use a 5005 in a single afternoon. From then on, you'll enjoy all the speed and economy of electronic billing and accounting.

For a demonstration, call your nearest Friden office. Or write Friden Division, The Singer Company, San Leandro, Calif. 94577.

*A TRADEMARK OF THE SINGER COMPANY

Friden Billing/Accounting Systems.
One way Singer takes the waste out of office work.

SINGER
FRIDEN DIVISION



business: a look ahead

CONSTRUCTION

Experiment getting under way soon should tell much about potential for assembly-line production of so-called manufactured housing.

Housing Secretary George Romney has called promotion of such housing top Administration goal. Yet some skeptics cite building and zoning codes, union practices as barriers.

Developments in Detroit suggest changes on way. Recent seminar on manufactured housing dispelled some stubborn bias stemming from onetime flimsiness of prefab construction.

Building trades official there has pledged union support of such innovations for low-income housing. Construction of 1,000 units in Detroit will represent largest single effort, compared to lesser programs in Chicago and one Virginia community. Detroit approval involved some code adjustments.

Spokesman for Mobile Homes Manufacturers Association in Chicago says several members not publicly known to be doing so now are experimenting with models for later introduction.

MARKETING

Main Street merchants, business groups look to new development to offset competitive edge of shopping centers and arrest decline of central business districts.

Problem is metered parking. Spokesman for Duncan Industries, Inc., Illinois manufacturer of meters, says free parking at outlying shopping centers is major factor drawing business away from downtown.

Yet removal of meters reduces turnover rate of spaces and hence accessibility of business, and municipalities don't like to lose revenue.

New meter developed by Duncan dispenses tokens redeemable at equal value in merchandise from participating merchants. In effect, the store pays for customer's free parking and the city doesn't lose out.

First installation was in Van Nuys, Calif., last September. By recent count, 18 cities in U. S. and Canada had it in operation, including Lombard, Ill., where system was adopted at initiative of Chamber of Commerce executive.

NATURAL RESOURCES

Tin industry sees bright future in battle to retain existing markets, and in new outlets.

For one factor, industry notes that developing countries eye flat-rolled steel capability as basic step to industrialization, which in turn creates demand for tinplate process.

Continuing demand also is seen due to expansion of packaging and transporting food on world-wide basis.

In newer applications, tin alloys have varied uses, including compounds with newer metals like columbium (promising in area of superconductivity because columbium-tin loses resistance to current at extremely low temperatures).

Or titanium-tin in spacecraft and zirconium-tin for fuel cladding in nuclear ships.

Industry also sees expanding uses in strengthening cast iron, mirror-finish coating for appliances and other metal products, and in paints, industrial fungicides, disinfectants and agricultural chemicals.

AGRICULTURE

Innovation in poultry processing illustrates how inventiveness helps keep lid on food prices.

Some 300 million pounds of turkey are processed each year for uses like so-called turkey logs; process involves moving turkeys along monorail conveyor system past work stations.

Agricultural Research Service helped develop equipment to position birds automatically and hold them securely, permitting workers to work faster and more precisely.

Experiment in commercial processing plant showed increased productivity per worker of 32 to 45 per cent, 2 per cent increase in yield of prime meat. Labor savings alone can run $22,000 to $44,000 a year, depending on plant size.

ARS spokesman says new equipment likely to see wide use soon; economies won't necessarily be reflected in lower prices but should help head off increases.

MANUFACTURING

Only limited potential is seen for luring business into so-called ghetto areas of the nation's cities.

This is the view of one labor economist and long-term analyst of government depressed area programs.

Sar A. Levitan, of George Washington University's center for manpower policy studies, says high training costs, absenteeism, remoteness from sources of supply, high insurance because of crime, land costs, and management problems all act as deterrents.

Within limitations, best candidates appear to be large manufacturing firms, such as IBM, which has a plant in Bedford-Stuyvesant area of New York. Service and retail firms being consumer-oriented, they tend to follow the trend to the suburbs.

Yet Levitan and Robert Taggart III, coauthors of recent GW study, note that "most recent efforts in central city development have concentrated on retail trade, service industries and small manufacturing firms."

TRANSPORTATION

Congressional supporters of freeways see encouraging signs from the Administration that one limited urban freeway system will be completed.

Public statements by Transportation Secretary Volpe and unpublicized efforts to get a stalled program in the nation's capital off dead center are more than straws in the wind.

Johnson Administration's outgoing Transportation Secretary Alan Boyd reflected rising opposition to disruptive effects of freeways and sought to force sharp cutback, making Washington test case of national scope.

(Ironically, Washington area is committed to lessening total dependence on roads by planned rapid transit system.)

Secretary Volpe, also proclaiming support for transit, is reported working to solve Washington area problem with minimum of disruption.

FOREIGN TRADE

Britain and Common Market nations see eye to eye on one crucial aspect of world trade outlook: continuing inflation and balance of payments problem for U. S.

In budget statement earlier this year, Britain's Chancellor of the Exchequer Roy Jenkins noted U. S. has provided "mainspring of the growth in world trade," but said other countries lacking overheated economies or payments deficits should take on that role. "It is to the surplus countries of the European Economic Community that the world must look now for the main impetus," Jenkins said.

Meanwhile, Common Market expects demands for its exports to continue, what with continuing economic problems in Britain and a "U. S. economy . . . not likely to cool off, despite measures to slow inflation."

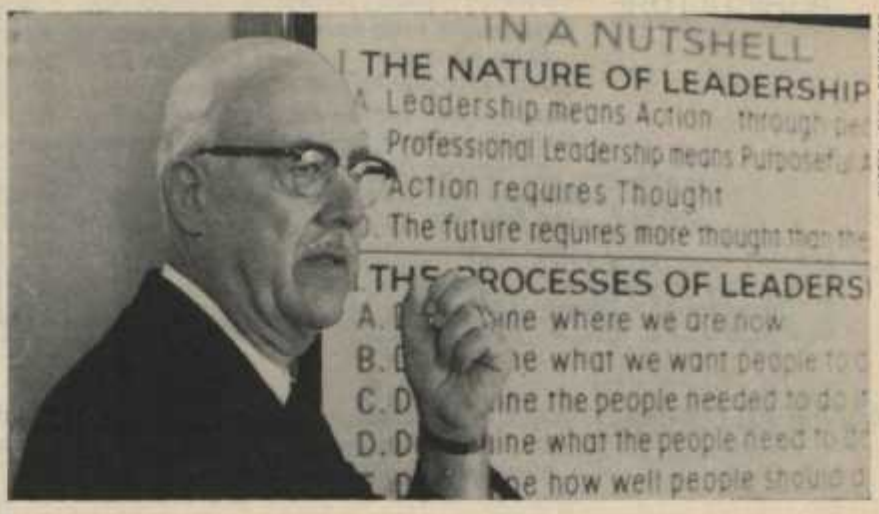
CREDIT AND FINANCE

U. S. corporations are taking quickly to the idea of computerized stock transfer operations.

The New York Stock Exchange said recently that 10 companies on the Exchange would soon be using computerized stock certificates. And experience confirms potential.

Computer Management Corp. of Salt Lake City, in operation for just over a half year, already is doing transfer work for more than two dozen corporations. Firm was launched by Garn G. Christensen, former consultant who became intrigued with mass of transfer agency paper work, and John I. Kasteler, former IBM systems engineer.

Computer does all updating and creates new punched certificates for transfer of bought-and-sold stock. Firm's heads claim to have developed first working system for stock transfer.



"The man who flies by the seat of his pants is not going to be around in the 1980's."

EXECUTIVES WHO WILL SCORE IN THE '80's

Team players and "pro's" will shine for their companies, says a distinguished authority on American management

• Some executives will flop badly.
• When should a company start looking for a new boss?
• Is office work a waste of time for the head man?
• Two worst sins of management today.

These are some of the bases Lawrence A. Appley touches in this interview with NATION'S BUSINESS. In it, he discusses what top business executives will be like in the 1980's—and what problems they will face.

Mr. Appley is uniquely qualified to discuss these issues.

To a generation of American businessmen, he is Mr. Management.

As president of the American Management Association for 20 years, he did more perhaps than any other man to sell the idea that management is a profession—and that its principles and methods can be taught.

Mr. Appley began his career as a personnel manager of the Buffalo division of Mobil Oil Co., Inc., and served later as vice president and director of Richardson-Merrill Co., Inc., and then in the same capacities at Montgomery Ward and Co.

During World War II, he was executive director and deputy chairman of the War Manpower Commission.

Now board chairman and chief executive officer of AMA, he retires at the end of June. Here are his views on what American management, and American managers, face in the future.

What kind of man will the manager of the 1980's be?

Chief executives will vary widely as to the kind of men they are, but the successful ones, over a continuing period of time, will have at least one common denominator: They will be good team captains—they will operate as part of a team.

The chief executive's office will consist of several people, not just one.

This top management team will have to have outstanding capability for short and long-range corporate and manpower planning, for tight economical and efficient operations, for operating within the total society of which the team is an important part, for wise financing and for human development at all levels.

Some managers will succeed and some will fail. What will account for the difference?

Those who are students of management before they enter it, and continue to be students of it when they are in it, will have a far better chance of success than those who do not.

In the 1980's, it is going to be very hard to find the top executive in business who is not a trained manager. That's the trend right now.

The man who flies by the seat of



"Business and industry will be much more highly respected and their important contribution to progress more fully realized—particularly by our younger people."



"Most managers go to their jobs today not knowing what they are going to do."

his pants is not going to be around in the 1980's.

Will the chief executive be a driver or a leader?

He will be a leader.

Are there any common management mistakes he should avoid?

Yes. There are two great sins in management today, two colossal blunders executives are making all the time. One, they do not think enough. Two, they do not talk enough.

We are so busy doing things that we do not take enough time to think of what we are trying to do.

By the same token, I would say that the majority of the instructions given by managers today are inadequate. Employees can't carry them out because they don't know what's being talked about.

Are there any good examples of companies which didn't think enough?

Well, the railroads, the buggy whip manufacturers—any company that has permitted technology to replace its services hasn't been doing adequate thinking.

Periodically, a company's management team—the chief executive and his top officers—should sit down and think about the company's future.

The first thing they should do is ask themselves what kind of a business they're in. Harris-Intertype was for many, many years manufacturing printing machinery. Then its managers took a look at themselves and said, "What kind of a business are we in?"

They decided they were in the "electronics communication business." Now they are making not only printing machinery, but all kinds of things.

So they grew from a $9 million a year business to a $270 million one in 15 years. And they will be at $500 million within the next five years.

Just by broadening the concept of what business they are in.

Will the manager of the '80's have more impact on our society—or less?

I'd say more.

As business organizations get more and more into long-range planning for 10 or 15 years ahead, they must have some impact on events so those plans can be carried out.

We had a vice president of a brewery here at a meeting last summer. He had just come from labor negotiations where the pipe fitters had settled for $500 a week. They were going to work about two hours out of a seven-hour day.

Now you can't sit back and let these things just continue and pass them on to the public in higher prices.

Business executives must learn to get together with government administrators, with the community itself, with labor unions and get some intelligence into this picture.

What qualities will be most important in the chief executive?

The chief executive of tomorrow will have a record of attainment, a mission, mental maturity and emotional stability and a dedication to consultative supervision as a management method.

What does consultative supervision mean?

It means that before you take action or make decisions, you consult with anybody who can possibly help you in the determination of the right decision or right action, for as long as you have time to consult.

George Clements is a good example of what I mean. He was president and now is board chairman of the very successful Jewell Cos.

I knew George Clements for years, and you seldom could get him to give you an answer to a question himself. If you asked him a question, he would say, "What do you think?" before he would answer.

Now, this is what we mean by consultative supervision. You just have to utilize the creativity, the ingenuity, the knowledge and the experience of your people. This is the greatest asset you have.

Isn't consultative supervision the ex-

ception rather than the rule today?

Yes.

Does that mean, then, that many business firms are poorly managed?

Yes, many are. But I would not say it is a foregone conclusion that a company which doesn't practice consultative supervision is poorly managed. Still, I am saying that in the 1980's, this will be so.

What essentially will the chief executive of the '80's do?

This depends on what he delegates to the other members of his top team—and what he retains for himself.

There will be no common pattern. The whole team must accomplish certain things. He will determine what part of it he wants to accomplish.

He may, for example, decide he wants to spend his time on long-range, corporate planning and manager manpower planning, and delegate everything else.

On the other hand, he may be a natural operator, and want to carry out the general management, the day-to-day operating responsibility. If he does this, he will have to make sure that the future of the company is delegated to someone else.

He can't do both.

Will the boss have to claw his way to the top?

He will be recruited and enlisted in a highly scientific and effective manager manpower planning program. He will not have to claw his way to the top, except in those institutions that are not professionally managed.

Will his reward in status and prestige be higher or lower than it is today?

Higher.

Business and industry will be much more highly respected and their important contribution to progress more fully realized—particularly by our younger people.

The executive will, however, be active in leadership outside his corporation as well as in it.

Can a good manager manage anything?

Yes, but when we said that in 1930 or 1935, we were booed off the platform. To be the head of a telephone company then, you must have hung from a telephone line somewhere. If you wanted to be the head of an oil company, you had to have oil running out of your nose and ears.

World War II blew that into a cocked hat. You had Coca-Cola making munition bags; you had Frigidaire making machine guns; you had every automobile company in the country making airplanes and tanks.

So management will become more of a profession?

Asking me that is like asking a jockey if he'd like to ride a horse in a race.

The fact that management is becoming more and more of a profession is the basic theme of my life.

Will the executive of the 1980's be younger or older than his counterpart today?

That will depend almost entirely on population trends.

My general guess is, however, that men will rise in the lower ranks of management much sooner and more quickly than they have risen in the past.

What kind of an education should a man get to be an effective manager tomorrow?

First he should have an undergraduate degree in science or in liberal arts. He should then have a master of business administration degree.

Then, he should take a very intensive course of at least eight months to a year in the nature, processes and character of management. They don't teach management in our academic institutions today. They teach the functions of management: finance, bookkeeping, marketing, traffic, transportation, labor relations.

The manager should continue his education throughout his career just as does a doctor, a lawyer, or an engineer.

In the future will undergraduate schools of business be obsolete?

I would hate to say; I wouldn't want to be quoted on it.

What major problems will the manager be forced to cope with?

Chiefly, these four:

1. Protecting his organization from take-over by modern robber barons who are money-motivated subversives. They will exist in every generation, and they will manage to keep themselves about three jumps ahead of the legislation they make necessary.
2. Insuring the future of his business.
3. Developing close relationships with other major segments of our society such as the church, the government, the school, the labor union, the press.
4. Providing satisfaction for his people out of work relations and work output.

Who is the robber baron who poses a threat to business?

He is a fellow who suddenly shows up, through some device, with a large per cent of your stock, and he makes a tender offer and you are crippled.

He buys in and manipulates the stock to a high price. He may unload it without taking you over. Or he may take you over, liquidate your cash and spin off a part of your organization, or liquidate the whole thing.

I saw an article not too long ago where somebody could start out with $500,000 and end up owning General Motors.

This kind of thing is going to lead to some colossal changes.

How can today's businesses—and boards of directors—develop top managers for tomorrow?

An old device called "manager manpower planning" is coming into broader and broader usage. It is a very scientific, highly developed system. It was started back in the '30's and perfected during World War II when many companies took it on due to the draft.

After the war, a few companies continued this kind of a thing. Sears Roebuck, Montgomery Ward, Worthington Corp., Richardson-Merrell, and some of the Standard Oil companies did.

One of the great tragedies in business occurs when you have a job open and you look at a man and say, "Gee, he has everything we want—except a little marketing experience."

So you pass him by.

Now we are using more foresight. We say if that man has marketing experience, two years from now he could be vice president and general manager. So we get him out of what he is doing and give him the marketing experience. We plan his development.

How far ahead does a corporation have to look to line up its chief executive for 1980?

It should start looking, in my opin-

ion, at least five years ahead. You should have five good candidates for the job by 1975.

Will we have enough skilled executives —or face a management gap?

We will never have enough skilled executives.

How can we go about acquiring the managers of tomorrow?

It is possible today to teach a man or a woman how to be a manager. There is a discipline that can be taught, and there is training that can be given so people know how to react when they are in a situation requiring management.

The steps are very simple. This is what we say to young management students:

"If you find yourself in a position of leadership, first, determine what your organization is, where it stands now, what are its assets and liabilities.

"Second, decide what you want your company to be.

"Third, determine what kind of people you need so it can be that.

"Fourth, what do these people need in the way of physical resources, money, buildings, tools, to do what you want done?

"Fifth, how well do they have to do it? Then inspect to see how well they are doing it, and figure out how you can get them to do it better. And finally, decide how much you will pay if they do do it."

In the 1980's, will business executives work differently than they do today?

Yes.

Most managers go to their jobs today not knowing what they are going to do but knowing they are going to be awfully busy. And each day fills itself up and clutters itself up.

I think in the 1980's there are going to be fewer people in offices. Offices are a tremendous waste of time for chief executives and they create 60 per cent of all the work that takes place in them. I can be away from my office for three weeks, and things get done. But if I come in for one day, everything stops. Everyone wants to ask me what to do. In most cases, the boss is busy because he is in. He should be out where the rubber hits the road, working with people and watching them.

What's so distinctive about the American manager that makes him envied and emulated the world over?

He gets things done. **END**



blacksmiths or astronauts

Blacksmiths or astronauts?
Visions of past and future.
Blacksmiths take a little longer to bring into focus because they are a largely forgotten breed. Astronauts are consistently in the headlines.
Your chamber of commerce—how does it relate?
Before you answer too quickly, ponder a moment.
Does your chamber represent a narrow band of people or is it representative of the total community?
Does your board consist of me-tooers or real decision-makers?
Are your committees tucked into a desk drawer or action-oriented?
Do problems come to your chamber or does your chamber go out to meet them?
Does change disturb or exhilarate your chamber?
Made a decision? If not, visit your chamber office . . . become involved . . . be sure your chamber will not be left on the anvil but will go into orbit.
Blast off!

PETE PROGRESS
Speaking for the local chamber of commerce in your community

SOUND OFF TO THE EDITOR

HOW FAR SHOULD WIRETAPPING GO?

"Wiretapping." "Eavesdropping." "Snooping." "Electronic information gathering." "Bugging."

These emotion-triggering expressions involve the controversial practice of scientifically listening in to gather information to be used in governmental fighting against espionage or crime.

Ask someone what he thinks of wiretapping and you get all sorts of answers. Everyone seems to have an opinion.

Those favoring it say that in many cases, especially in espionage and organized crime, it is in the nation's interest that suspects' private conversations be heard, either through tapping of telephone lines or planting of electronic bugs. Last year Congress legalized wiretapping and bugging in criminal as well as in security cases.

Proponents argue that listening in on calls is no more an infringement of privacy than is shadowing a suspect. They point out that some of the most famous and dangerous spy apparatuses in history have been blown apart with information gathered through wiretapping.

Those who are opposed say it's an abridgement of constitutional rights. It is unethical and un-American to listen in, they add. The Supreme Court has ruled in several wiretapping cases, usually coming down on the antitapping side. One recent decision of the Court was that information gathered during a tap must be made available to the defendant.

What do you think about this problem? Do you approve of wiretapping? If so, to what degree and to what extent do you favor it? Do you disapprove? If you do so generally, or in specific instances, why?

Jack Wooldridge, Editor
Nation's Business
1615 H Street, N.W.
Washington, D.C. 20006

Do you approve of wiretapping? ☐ Yes ☐ No

Comments:.....

.....

.....

.....

.....

.....

Name and title.....

Company.....

SOUND OFF RESPONSE:

BLOWING HOT AND COLD ON THE DRAFT

They came out fighting.

NATION'S BUSINESS readers who replied to the May issue's "Sound Off" question, "Should professionals replace draftees?" armed themselves from an arsenal of varied arguments and fired away. There was plenty of manpower on each side, though pro-draft forces had the edge in numbers.

Opponents of a completely professional armed service see higher cost and lower efficiency, and dangers to the country, in a change.

Proponents of professionalism see the same in the draft status quo.

"So-called 'professional soldiers,' based on my experience in the 1930's, tend to come from the dregs of society," writes William A. Grier of General Motors' legal staff in New York. "I recall that the motion picture theater at Madison Barracks, Sackets Harbor, N.Y., burned to the ground in about 1931 because all fire extinguishers were chained and locked to the wall since enlisted men had previously drunk all the fluid."

A professional army would "only sit around and get fat," according to K. E. Lamp of United Fuel Gas Co., Charleston, W. Va. "It would be necessary to have small wars to keep our army sharp."

Says R. C. Dickerhoff, controller of the First Federal Savings & Loan Association, Cumberland, Md.: "A professional soldier would be lazy when not fighting and when fighting he would lack the vital feeling of 'let's get it over with.' It would require additional revenue."

The professionals would "become high-paid professional 'goof-offs' just like 75 per cent of the rest of the government workers," writes Norman E. Smith, president of All-Size Corrugated Products, Inc., Lancaster, Pa.

On the other side, D. J. O'Keeffe, general manager for St. Regis Paper Co. in Lake Placid, Fla., says: "Cost might well be less, even with higher pay scale, in that the military would not be faced with the great, continuing expense of training and equipment for draftees."

Use of professionals "would increase efficiency enough to offset increased monthly salaries required," writes Jesse H. J. Miller, plant manager for the National Lock Co. in Waverly, Tenn. Another plant manager, John T. Zurlo of Harris-Intertype Corp.'s Sheridan Co. in Champlain, N. Y., says America could get by with a smaller force if it was professional.

"A well-trained professional soldier would replace three or four young draftees and this should help to equalize the cost of training and maintaining the armed forces—as well as saving a lot of young lives," according to Cecil J. Perkins, president of Longview Yarns, Inc., in Hickory, N. C. Henry F. Boehm Jr., manager of Major Appliance Service Co., Wappingers Falls, N. Y., goes him a lot more than one better. The good professional, says Mr. Boehm, "is equal to 100 draftees."

Reduced turnover in draftee-free armed services "would save 80 per cent on GI benefits," says Richard J. Ross, president of Washington Garment Co., Inc., Washington, N. C.

Speaking of benefits, there's reason to fear trouble in that direction from professionals, according to R. L. Argus, American Oil Co. refinery manager in Yorktown, Va. He sees them "soon permitted to organize for collective bargaining. Every crisis would find the guns aimed at our heads for higher wages and benefits, with a strike the alternative. National security is ignored by militant unions, so why should we expect professional soldiering to be different?"

More serious troubles, perhaps, than strikes, are seen possible by R. P. Whelan, assistant controller of the Otis Elevator Co., New York. "An armed force made up only of professionals does have the inherent danger of creating a military state," he says. "A balance of draftees and professionals is best to keep the professionals in check."

Robert E. Beck of William Beck & Son, Englewood, N. J., takes a similar position.

"When this small professional army starts to see differently from the civilian thinking," he says, "the civilian population . . . (can be) left to its mercy. This you see every day in South America: the take-over of nations. As long as civilians are the army's major manpower source this will not occur."

D. K. Moore, president of Gearmore Equipment Co., Inc., South El Monte, Calif., says, "One of the hidden controls built into our military is that boys come from every strata and area, making military take-over impossible. Change to professionalism and you will change that."

N. G. Mehaffey, a retired Air Force colonel who is with the Equitable Life Assurance Society in Dallas, says a purely professional defense establishment, in addition to "further eroding our citizens' moral fiber and costing vast sums," would "promote the probability of a dictatorship."

And U. H. Prickett, senior vice president, Life Insurance Co. of Alabama, writes from Gadsden, Ala., that, "Our system, after all the trials, is still best. A professional army would be just another group that would eventually make demands we would have to meet. I sort of like the 'out and in' system we now have, especially when we

SOUND OFF RESPONSE: BLOWING HOT AND COLD ON THE DRAFT

continued

can go out of the service feeling we had a part in preserving America. It can be a good feeling!"

Some of those favoring professionalism see external danger in the conscript army rather than internal danger in the professional one.

R. L. Beyer, vice president, the Spencer Kellogg division of Textron, Inc., writes from Buffalo, N. Y., that "the vast pool of draftees . . . is dangerous to our country's welfare because it encourages the military to engage in many adventures which they have no business in." Mr. Beyer hopes that a volunteer army would be supplemented by the National Guard in emergencies and "that ROTC can be continued on a voluntary basis."

H. B. Ayars, president of Ayars State Bank, Moweaqua, Ill., says: "If a President had to rely on a paid army he would be much more careful to stick his neck out in trying to police the world. He just wouldn't have the army with which to do it."

There would be less internal stress if professionals replace draftees, many readers think. "The real cause of unrest in our young people is the fact that they have nothing to look forward to but a slice out of their lives that should not be required," says Newton Draper, owner of the Draper Lumber Co., Cookeville, Tenn.

"Use of professional forces is considerably less disruptive to society, and will permit needed additional attention by otherwise disrupted young people to 'waging of peace'," writes W. G. Curott, vice president of Fasco Industries, Rochester, N. Y.

Pride in country is seen as a bonus for veterans of the draft by some advocates of our present setup.

"I still feel our country is worth fighting for," writes Norman Rosenberg, president of Dunhill of Washington, D. C., Inc. "Being in the service is an experience that cannot be duplicated." Ramon A. Santos, general manager for Petrolane Equipment Co., in Hato Rey, Puerto Rico, says the sacrifice involved in serving "the fatherland" helps the young learn "how much it has cost in the past to give them the privilege to live in a democracy."

Advertisers in this issue · June 1969

	Page
AAA Adding Machine Co. *Gabriel Teman, New York*	54
American Credit Indemnity *VanSant Dugdale, Baltimore*	12
Audiscan Inc. *Gall Advertising, Seattle*	40
Bay West Paper Co. *Klau-Van Pietersom-Dunlap, Milwaukee*	54
Behlen Mfg. Co. *Robert R. Saxford, Kansas City*	16
Canadian Pacific *Kenyon & Eckhardt Ltd., Toronto*	67
Chevrolet Motor Div., Truck General Motors Corp. *Campbell-Ewald, Detroit*	17
Continental Insurance Companies *Doyle, Dane, Bernbach, New York*	45
Eastman Chemical Products, Inc. *J. Walter Thompson, New York*	25
Evinrude Motors, Division of Outboard Marine Corp. *The Cramer-Krasselt Co., Milwaukee*	Cover 2
Firestone Tire & Rubber Co. *Campbell-Ewald, Detroit*	33
Ford Motor Co., Ford Truck *J. Walter Thompson, Detroit*	Cover 3
Friden Div., The Singer Co. *Meltzer, Aron & Lemen, San Francisco*	77
GMC Truck & Coach Div. General Motors Corp. *McCann-Erickson, Detroit*	15
Hartmann Luggage Co. *Lebet Katz Puccione, New York*	18
Hughes Tool Co. *Foote, Cone & Belding, Los Angeles*	4, 5
Hyster Co. *Cole & Weber, Portland*	52, 53
Inland-Ryerson Construction Products Co. *Hoffman-York, Milwaukee*	37
Institute of Life Insurance *J. Walter Thompson, New York*	1
Lark, Liggett & Myers Inc. *J. Walter Thompson, New York*	11
Lathem Time Recorder Co. *George and Glover, Atlanta*	66
Meilink Steel Safe Co. *Benson Reichert Richard, Toledo*	40
Nashua Corp., Office Copy Div. *Wilson, Haight & Welch, Hartford*	38
New York State Department of Commerce *Batten, Barton, Durstine & Osborn, New York*	61
New York Life Insurance Co. *Compton Advertising, New York*	6
North American Philips Corp. *Powell, Schoenbrod and Hall, Chicago*	13
Philip Morris Inc., Benson & Hedges 100's *Wells, Rich, Greene, New York*	Cover 4
Pitney-Bowes, Inc. *deGarmo, McCaffery, New York*	29
Plymouth Div., Chrysler Corp. *Young & Rubicam, Detroit*	21
Ranco Industrial Products Corp. *Mt. Pleasant Advertising, Cleveland*	54
Ryder System, Inc. *Neals & Hickok, Orlando*	31
United States Fidelity & Guaranty Co. *VanSant Dugdale, Baltimore*	26
Utah Power & Light Co. *Gillham Advertising, Salt Lake City*	14
Victor Comptometer Corp. *Allen, Anderson, Niefeld & Paley, Chicago*	9
Walker/Parkersburg Div., Textron *Fahlgren & Associates, Parkersburg*	48

Regional Advertisements

	Page
Alameda County New Industries Committee *Pettler & Hannaford, Orinda*	55
American Buildings Co. *Doug Pritchett, Columbus*	55
Anchor Post Products, Inc. *VanSant Dugdale, Baltimore*	64
Atlantic Council, The, Washington, D.C.	49
Bank of America *D'Arcy Advertising, San Francisco*	55
Blue Cross-Blue Shield *Burrill & Jacobs, Chicago*	87
Blue Cross Plans in Ohio *Oppenheim, Hermingshausen, Clarke, Dayton*	49
Downtowner Corp., The *Jay Scott Associates, Memphis*	87
Great West Life Assurance Co., The *Spitzer, Mills & Bates Ltd.*	22
Iowa Development Commission *Cresswell Munsell Schubert & Zirbel, Cedar Rapids*	49
Magazine Publishers Association *Magazine Advertising Bureau, New York*	41
Michigan Bell Telephone Co. *N. W. Ayer & Son, Detroit*	49
Property Research Corp. *Socks, Finley & Kaye, Los Angeles*	41
Seaboard Coast Line Railroad *Tucker Wayne, Atlanta*	41
Treasury Dept., U. S. Savings Bonds	22
United California Bank *Erwin Wasey, Los Angeles*	49

On the other hand, partisans of professionalism see pride in self as one of its benefits.

Says Roger Goeringer, office manager for UOP Water Services in Burbank, Calif.: "Our whole society is geared to professionalism. Each individual is to have a feeling of accomplishment while earning a living, and to feel he is adding something to our country in his vocation.

"With a quick service requirement, the majority cannot see a large accomplishment."

Says D. Bowen King of Steam Supply & Rubber Co., Inc., Seattle, Wash.: "Only by replacing the draftees can we again bring pride back to the professional military personnel."

A sizable number of readers who favor the draft say they also favor changes. It "should be more equitably administered," according to Richard L. Hudson of International Harvester Co., in Louisville, Ky. Deferments should be "tightened up," according to William B. Connor of Florida Citrus Mutual, Lakeland, Fla.

Universal military training, perhaps in Swiss style, is advocated by others, with R. P. Connett of U. S. Gypsum Co. in Saltville, Va., suggesting that after one year, "extra, overseas and combat duty be determined by lottery."

Some of those in professionalism's corner also favor wider military training for nonpro's. "My answer," says Harvey J. Cowell, Modernair Corp. plant manager in Waterloo, Ind., "is contingent upon the enlargement of junior ROTC in high school."

Then there are those who turn to history. "The beginning of decadence is marked by establishment of professional armies versus citizen volunteers," says Bernard Greenwell of Stone Container Corp., Wildwood, Ill. "Must the lessons of history, such as the fall of Persia, Egypt, Greece and Rome, go in vain?"

But Charles B. Finch of New York, vice president of the Allegheny Power System, Inc., says, "A volunteer army is the same kind of citizen armed force America has had since it began. Conscription is involuntary servitude."



"THOU SHALT NOTS" FOR MINORITY GROUP RAPPORT

Establishing good working relations with minority groups isn't easy.

In scores of cities, thousands of persons are involved in a massive effort to find solutions to urban problems and bring together all community elements. They represent business, government, civic organizations, labor, and educational institutions.

There is an overwhelming need for communication and understanding among all groups, many who have been involved agree.

Achieving rapport isn't easy. Industrial firms which have established hard core unemployed job training programs can attest to this. So can chambers of commerce, which have spearheaded efforts in many communities.

But there are proven ways to work more successfully with minority organizations. They have been learned from practical, often painful, experience.

One successful community-wide program is that of the Joint Civic Agencies of Springfield, Mass. Executive Director Paul Greeley offers experiences learned there to other cities and groups as a realistic way to establish relationships. He calls these "The Ten Commandments of Working with Minority Groups and Organizations":

1. Don't only call for meetings in your own back yard. Be willing to meet in the "target" areas whenever possible.

2. Use the power of humor generously. Don't be too serious. Certainly don't be too impressed with yourself. Remember, a bit of humor will lighten many tense situations.

3. Drop the habit of asking, "Who is your leader?" They might want to ask, "Who speaks for you?"

4. Instead of saying "No!"—ask "How?" Unreasonable demands frequently melt if you persist in asking "How," instead of responding negatively at the beginning.

5. Get involved personally, and work constantly at the job of getting others involved. Nothing builds trust better than understanding—and nothing promotes mutual understanding as much as face-to-face confrontation and personal involvement.

6. Be patient. Let people talk it over and out, even though it takes considerably more time than you think necessary. The decision-making process is slow and winding—but genuine participation in this process is essential and must be shared.

7. Try to see things from the other fellow's point of view—and more important, see them as he perceives them. You must "wear the other fellow's shoes" to understand his rationale and motivation.

8. Don't expect miraculous results—progress comes slowly. Measure your progress over long periods of time—not day by day.

9. Bounce back fast from setbacks—and there'll be many. You'll not make gains at an even pace. This is a roller coaster experience.

10. Don't look for credit—certainly not public credit. The grass roots credit will do you more good. In fact, it is an indispensable ingredient for ultimate success.



HOPE FOR THE FUTURE

Here are some of the rules at one U. S. institution of higher learning:

✓ No smoking in classrooms.
✓ No sitting in cars after dark.
✓ All clothing must be neat.
✓ No drinking in rooms.
✓ No women in rooms.

No, it's not Cornell, or Harvard, or CCNY, or the others in the headlines.

It's West Point, where students are being trained to be officers and gentlemen.

And to fight for freedom—the right way.

The switch is on... to Ford Linehaulers, too!



Shave running costs and save weight the Ford "W" way!

The switch is on! Large companies and truck fleets—like Wilson Freight Company of Cincinnati, Ohio—are making the switch to Ford with individual orders running into millions of dollars.

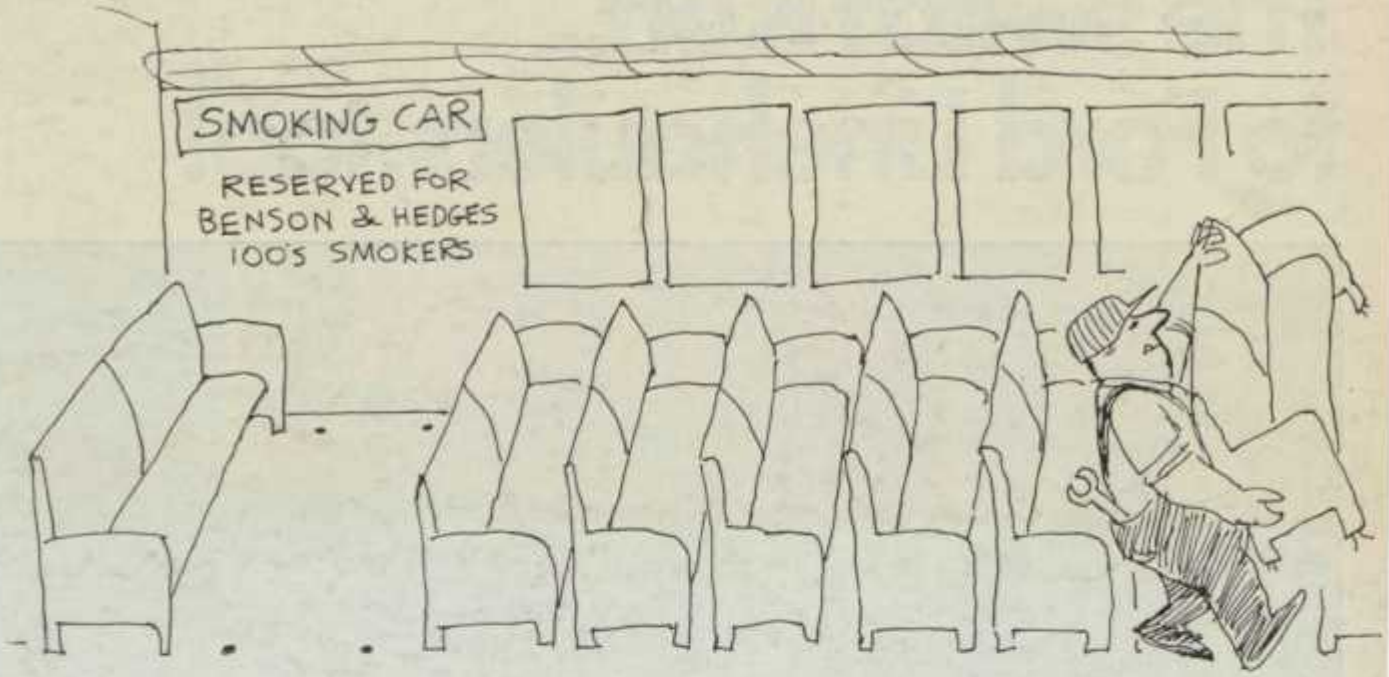
One key reason: the performance-proven W-Series is now available in your choice of steel or aluminum cab *plus* many other weight-saving options. This weight-saving potential can add up to 1,600 pounds more payload every trip. And the Ford "W" gives you a choice of fifteen Diesels with up to 335 horsepower. Plenty of power and economy for the W's 80,000-lb. GCW.

Just as important as the product itself is the way Ford builds 'em and backs 'em: All Ford heavy-duties are carefully built with one Quality Control man to every seven production workers. And if one of Ford's nearly 600 "standard" heavy models isn't exactly right for your job, the 70 engineers in Ford's Special Order Department will custom-engineer what you need.

Now that you've got the right truck for your job, how about service? Already 73 exclusive truck centers have been established, part of a strategic network of 256 heavy-duty truck dealers. They're backed by nearly 5,700 regular Ford Dealers. All good reasons why you should join the switch to Ford.

FORD HEAVY-DUTY TRUCKS

Ford



America adjusts to Benson & Hedges 100's.



Regular or Menthol.